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REPORT TO THE BOARD OF TRUSTEES

February 6-8, 2003

I. INTRODUCTION

This report contains financial information concerning the performance of the University, its campuses and associated units during the first half of 2002-03. The information is presented using the Financial Accounting Standards Board (FASB) 117 reporting standard that became mandatory for independent colleges and universities on July 1, 1995. The objective of this FASB reporting standard is to enhance the relevance, clarity and comparability of financial statements issued by not-for-profit organizations, regardless of the nature of their operation or mission. The material presented in this document provides a detailed view of the operating revenues and expenses of the University and is intended to promote the understanding of University operations as a whole and of each of its units. By clearly identifying areas of strength and weakness, this report is intended to serve as a tool for improving the University and allowing managerial attention to be focused where it is most needed. If you are familiar with the terms and format of this report, you may want to begin reading about the 2002-03 Mid-Year Performance section on page 7.

II. FORMAT AND CONTENT

In this report are Mid-Year summary schedules for the entire University and similar schedules for each campus, the University Administration, Glen Helen, WYSO Radio, the Antioch Review, the Ph.D. in Leadership and Change, and University Wide accounts. These schedules compare the first six months of operation with the budgeted expenses and revenues for the same period. Additionally, each campus and operating unit has prepared a narrative description of the

significant events that caused the unit to deviate from its budget. The purpose of the narrative is to provide an overview of how each Campus performed during the first six months of the current year.

Revisions to the 2002-03 capital budget may be necessary due to changes in operating income. Under Board of Trustee policy, Trustee approval is required for any non-personnel expenditure of more than \$25,000. The Capital Budget that was presented to the Board at the June meeting contains plans for specific capital expenditures, but during the first half of the fiscal year, some Campuses have identified changed conditions as well as restricted resources or unanticipated needs that require changes to their capital improvement plans. In some cases, a campus may need to acquire additional equipment, particularly technology, while in other cases repairs or improvements to the physical plant may be needed. However, even when needed, planned capital expenditures may be cancelled or deferred if revenues are insufficient.

III. THE FUNCTION SCHEDULE

For the University as a whole and for each of the Campuses and units, this Report contains two mid-year schedules. The first is the Summary by Function. This schedule provides information about Revenues by Type and Operating Expenses by Function. The purpose is to show what has happened during the first half of the year to the various revenue and expense categories. This schedule shows how prior year experience and the budget compare with what has actually happened during the reporting period.

In both the Revenues and Operating Expenses sections of this schedule is a reference to "E&G". This abbreviation stands for Educational and General and the Total E&G lines show the Revenues and the Operating Expenses of all functions other than those that are classified as Auxiliary Enterprises. The E&G subtotals are provided to simplify comparison of the revenues and expenses of the primary missions of the University while excluding "support functions" that are not part of the primary missions. Auxiliary Enterprises include support functions such as dining services, housing, bookstore, and similar "businesses".

An additional Revenues item that appears below the Total E&G Revenue totals is Released from Restrictions. The amounts on this line reflect funds that were initially received by the University or Campuses for specific purposes and held until they could be spent to further the specific purpose. Most of this money represents gifts or bequests that have been

provided for such things as scholarships or specific program initiatives. Much of the funding of this type is expended in the year it is received, but Restricted Funds are often held for several years until they can be expended in accordance with the conditions set out by the donor. For example, scholarship funds that provide for students with certain types of abilities or needs will not be expended until such students can be identified. Restricted Funds do not become part of the Operating Budget until released. Prior to being transferred to the Operating Budget, Restricted Funds are carried in the accounts of the University and invested in accordance with University policy.

The amounts shown on the Gifts line may vary from the figures reported by the Development Offices for the same period. The Development Offices report gifts and pledges to the Annual Funds as they are received. The Accounting Offices report Annual Fund gifts only when the cash is received. Pledges are commitments that will be realized at a future date and are not expendable until the funds are actually received. Funds that are given for a restricted purpose are invested until they can be expended for the purpose specified by the donor. Several years may pass before a campus can expend a restricted gift as the donor intended, but the restricted gift is recorded by the Development Office when it is received. The financial schedules contained in this report do not reflect restricted revenue until it is expended. Therefore, reports from the Development Offices may show higher or lower giving levels than will appear on these schedules.

Restricted Funds should not be confused with Endowment Funds. Endowment Funds are also separated from unrestricted revenues and are also limited to specific purposes as provided by their donor. The primary difference is that the principal of Endowment Funds must be retained in perpetuity and only the annual income can be expended to satisfy the purpose of the donor. On the other hand, the principal amount of a restricted gift can be used as soon as a valid purpose has been identified. Income from the Endowment Funds appear as a Revenue Item on the Endowment Income line. Although accounting standards permit realized and unrealized endowment gains to be expended without restrictions, University policy does not permit this type of expenditure.

The Summary by Function schedule in this Report for Antioch University as well as the schedule for University Administration and the University Wide Expenses contain an additional line, "Net Overhead for Central Operations." This line has been added on these three schedules to more clearly display the cost of central operations. Ordinarily, the Overhead used to support the University Administration and the University Wide Expenses budget would appear as a "negative expense" entry, but the Board of Trustees has requested that central operations be displayed more in keeping with the way the budgets of the individual Campuses are displayed. Accordingly, this line has been added to these three

schedules and appears as a quasi-revenue entry. It shows how much is transferred from the operating units to meet the costs of central operations and it clearly separates the "revenue" of the central operations from their expenses and makes it easier to see the true cost of these units.

The Operating Expenses section of the Function schedule provides financial information for each of the primary activities or programs. Each operating department of the University is classified in accordance with its primary function. For example, the Languages Department of the College is classified as Instruction and all of its expenditures will be combined with those of other teaching departments and reported on the Instruction line of the Function schedules. A list of the Cost Centers that comprise each of the Functions is presented on page 66.

The columns of the Summary by Function schedules present information about the first six months of actual activity of the two prior years and the first six months of budget for 2002-03. The last four columns provide a comparison of the 2002-03 actual year-to-date experience with the mid-year budget and a comparison of how the mid-year 2002-03 actuals compare with the actuals for the same period of 2001-02. The dollar variance is given for these comparisons and a percentage of variance is also provided.

FASB 117 requires the presentation of information on an accrual basis, but the actual management of the University also depends on maintaining an adequate cash flow so that current obligations can be met. The schedules in this Report contain a Conversion to Cash Basis section which identifies those expenses and revenue sources that must be considered when adjusting from an accrual basis to a cash basis. These items are primarily concerned with equipment and facilities which, although occurring in one fiscal year, are depreciated over their useful life. Accumulated depreciation is shown as an offset to the Depreciation Expense that is included as a part of the Plant Maintenance function. Borrowing proceeds, if any, associated with the expenditures shown are reflected on a separate line as are the Principal Payments necessary to retire the loans of previous years.

The Conversion to Cash Basis section also shows the use of any Prior Year Reserves. Prior Year Reserves are maintained by the University as "funded" or "unfunded". Whenever a campus ends the year with an operating surplus, this sum is recorded and carried forward on the books. If the University has sufficient surplus cash at year-end, the surplus is funded and invested in an interest bearing account for the benefit of that campus. If there is not sufficient cash to cover the surplus, the uncovered portion becomes a credit to the unfunded reserve. Campuses may propose the use of their

Funded Prior Year Reserves in the annual budget, or they may request the Chancellor's permission to use Funded Reserves to meet unexpected expenses during the year. Because expenditures from Funded Reserves will reduce the accrual balance of the campus, care must be taken to insure that such expenditures do not create an untenable deficit for the University.

IV. THE CATEGORY SCHEDULE

The second major schedule used in this Report is the Summary by Category. On this schedule, the Revenues reported on the Function Schedule are condensed to a single line. For the University as a whole, the University Administration and the University Wide Function schedules, a second line is added to show the Net Overhead for Central Ops. Although technically not a revenue item, it is treated as a quasi-revenue on this schedule so that these three units and the Campuses can be presented in similar ways.

Operating Expenses from the Function schedule are presented by category (e.g., Salaries & Wages, Benefits, Supplies). These categories show how expenditures have been made by the kinds of goods and services purchased. The components of each of the Expense categories is listed in detail on page 67.

A section of these schedules shows the Contingency/Reserves that the Campuses were required, and now are encouraged, to budget. The "Campus Contingency, Mandatory" amount was required to be budgeted at 1% of net student-derived revenue and this sum could only be released by the Chancellor late in the year in order to meet unexpected expenses or to offset lower than anticipated revenues. Beginning in January 2002, this Contingency was no longer required following the change to direct budgeting of depreciation. The schedules show the prior year Contingency amounts as an expense.

The "Campus Program Contingency, Discretionary" is a reserve amount determined by individual Campuses. Depending on the volatility of its programs, a Campus may elect to hold an additional sum in reserve to offset possible revenue fluctuations. The amount of this Reserve is determined by the Campus, and the Campus determines when this Revenue is released for expenditure. Beginning July 1, 2000, Campuses have the opportunity to reserve money in an account in the Major Capital Improvement Fund. This fund has been established to permit campuses to prepare for predictable future

capital purchases such as roof replacements. Deposits to the Major Capital Improvement Fund are budgeted on this line. Not all Campuses elect to place funds in this Reserve.

The Liquidity Reserve had accumulated \$2.2 million at the end of 2000-01, and beginning in 2001-02, campuses were no longer required to make additions. The Liquidity Reserve is not available for expenditure for any purpose. The Accumulated amounts will be held to increase the financial integrity of the University. The funding of Depreciation at the campus level reduced the need for annual additions to the Liquidity Reserve.

The Overhead section shows the assessments that are made against each Campus in order to support operations of the University. Prior to July 1, 2001, assessments were made at the rate of 13.75% of net student revenue. The methodology excluded tuition generated by new programs less than two years in operation, tuition discounts and waivers, and uncollectable tuition and fees. From the overhead, Rebates from the University were transferred to the individual campuses, as was the Subsidy from Adult Campuses and the Subsidy from Overhead. Campuses that received Rebates and Subsidies show negative amounts in the various historical columns of this schedule because the transfer was shown as a "negative expense" rather than as a Revenue. Although these transfers were "income" to the receiving campus, from the standpoint of the University they represented only the reassignment of revenue from one campus to another. In 2001-02, the Stabilization Task Force simplified the mechanism for support of the University and the College. In 2002-03, Overhead was allocated to the non-residential campuses and other units in proportion to the size of their operating budgets. The total is \$2.8 million. The College does not contribute to Overhead in 2002-03.

The Other line in this section of the Category schedule shows the effect of various contractual relationships between Campuses as well as certain University-wide assessments, such as for the University Conference. The University Conference is not scheduled to be held during 2002-03.

The columns on the 2002-03 Proposed Budget by Category schedule are identical to those on the Budget by Function schedule.

V. 2002-03 MID-YEAR PERFORMANCE

Halfway through the fiscal year, the non-residential campuses are performing quite well against their budgeted expectations. Tuition and fee income at Seattle is 10% below budget (-\$467,500), but Seattle has adjusted its expenditures to more than offset the lost tuition revenue. The College continues to struggle with enrollment problems and the consequential shortfall in tuition and fee revenue. At mid-year, the College's tuition and fee income shortfall is only -\$127,342 (-2.6%), but the full magnitude of the shortfall is masked by better than projected performance of the Antioch Education Abroad program which realizes most of its revenue during the fall term.

Based on the budget, actual net Tuition & Fees for the entire University are just slightly positive. The excess over budget at mid-year is \$64,800 (0.2%).

With the exception of the College, total revenue as a percentage of total expense is favorable to budget at all campuses. As the following table shows, not all campuses has exceeded their budgeted revenue expectations (only Southern California and McGregor), but with the exception of the College, all campuses have reduced their expenditures below the budgeted figure. The result of adjusting expenditures to match revenue means that at mid-year, the nonresidential campuses are showing positive accrual balances (Excess Revenue over Expense).

Revenue and Expenditure Comparison Budget vs. Actual

	ANTIOCH COLLEGE				NEW ENGLAND			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Total Revenues	9,222,168	8,584,114	-638,054	-6.92%	9,187,183	9,039,134	-148,049	-1.61%
Total Expenses	9,828,962	9,993,734	164,772	1.68%	5,873,157	5,641,891	-231,266	-3.94%
Excess Revenue over Expense	-606,794	-1,409,620	-802,826	-132.31%	3,314,026	3,397,243	83,217	2.51%
Net Cash	-766,376	-1,576,782	-810,406	-105.75%	3,367,368	3,304,005	-63,363	-1.88%
Revenue as % of Expense	93.83%	85.89%	-7.93%		156.43%	160.21%	3.79%	

	SEATTLE				SOUTHERN CALIFORNIA			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
Total Revenues	5,449,679	4,848,864	-600,815	-11.02%	8,523,373	8,602,760	79,387	0.93%
Total Expenses	5,716,307	5,031,955	-684,352	-11.97%	6,200,343	5,379,937	-820,406	-13.23%
Excess Revenue over Expense	-266,628	-183,091	83,537	31.33%	2,323,030	3,222,823	899,793	38.73%
Net Cash	-165,326	-25,415	139,911	84.63%	2,370,843	3,258,574	887,731	37.44%
Revenue as % of Expense	95.34%	96.36%	1.03%		137.47%	159.90%	22.44%	

	McGREGOR				ALL CAMPUSES			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
Total Revenues	2,539,436	2,785,133	245,697	9.68%	34,921,839	33,860,005	-1,061,834	-3.04%
Total Expenses	2,922,249	2,656,832	-265,417	-9.08%	30,541,018	28,704,349	-1,836,669	-6.01%
Excess Revenue over Expense	-382,813	128,301	511,114	133.52%	4,380,821	5,155,656	774,835	17.69%
Net Cash	-386,442	45,845	432,287	111.86%	4,420,067	5,006,227	586,160	13.26%
Revenue as % of Expense	86.90%	104.83%	17.93%		114.34%	117.96%	3.62%	

Because of the nature of the programs, the student calendars, and other factors, the individual campuses do not spend at the same rate throughout the year. However, the campuses have attempted to budget accurately by month so that it is possible to compare budgeted revenues with actual revenues and budgeted expenditures with actual expenditures at any point during the year. In the above table, "Revenue as % of Expense" shows how much revenue was budgeted versus the expected expenses and this percentage can be compared with the actual. In the case of the College, total revenue was expected to be 93.83% of the total expenses at the mid-year. However, actual Revenue as % of Expense is only 85.89%, a variance of -7.93%. If the College were on track, its variance would be zero or positive, but revenues are below target and expenses are above.

Total revenues for the University as a whole at mid-year are \$34.8 million, which is -\$3.3 million below target (-8.8%), but \$1.8 million (5.3%) above the level of last year. Total Operating Expenses are \$31.6 million or just under \$2.0 million (5.9%) better than budget. Current expenditures are about \$600,000 larger (1.9%) than last year at the mid-point.

The University as a whole has a favorable accrual balance of \$3.2 million, which is almost \$1.2 million better than a year ago.

There are two factors operating that have a significant impact on the mid-year accrual balance. The first factor is the inclusion of realized and unrealized gains and losses on investments in Operating Revenues. Most of the University's investments are in the endowment, but the accounting standards which govern universities and other non-profit organizations require that investment gains and losses be included in operating revenues. At the mid-point of the year, the poor performance of the stock market is significantly influencing total operating revenues. The 2002-03 budget was constructed with the expectation that there would be neither gains nor losses on investments. However, at this point we are recording unrealized Gains of \$512,880 and Realized Losses of -\$2,308,759 for a net loss of -\$1,788,226. If investment performance had been neutral, as anticipated in the budget, total revenue for the University as a whole would have been below budget by -\$1,560,142, a shortfall of 4.1%. The actual total revenue shortfall from budget is -\$3,348,368 or -8.8%. With total operating expenses being reduced by 5.9% and revenues, excluding gains and losses, being reduced by only 4.1%, operationally, the University as a whole is doing quite well.

The second significant factor influencing the accrual balances of the individual campuses and the University as a whole is the change in policy regarding the budgeting of depreciation that was adopted by the Board of Trustees last year. Halfway through the 2001-02 fiscal year, the Board changed the way in which depreciation is handled. Prior to that time, depreciation was budgeted centrally with the expectation that gains on the endowment and required savings would be sufficient to cover the expense. Beginning in January of 2002, campuses and other units were required to budget depreciation as an operating expense. As a result, campuses have had to adjust their budgets collectively to absorb about \$1.4 million of expense that previously had been carried centrally. By including depreciation within the operating budgets of the individual campuses and units, revenue is committed to cover these expenses. Largely for this reason, actual expenditures at the mid-point of 2002-03 are slightly less than they were at this point two years ago.

The campuses did not have to absorb the entire cost of depreciation without some offset, however. The Liquidity Reserve and the Mandatory Contingency requirements were eliminated and the revenue previously dedicated to these expenses was transferred to help meet the cost of depreciation. For Southern California, which does not have an owned building, depreciation was relatively small and the return of the Liquidity and Contingency funds produced a net gain. For the College, which has several buildings and significant depreciation, an additional annual transfer of \$600,000 from the non-residential campuses was necessary in order to assist the College with the transition.

Net Tuition & Fee income is the primary source of revenue for Antioch University. It constitutes about three quarters of the University's total budgeted revenue and any failure to realize budgeted tuition and fee levels results in the need for mid-year expenditure adjustments. As can be seen in the following table, Seattle has had the largest tuition shortfall at the mid-point of the fiscal year, while the College and New England have also had shortfalls. Seattle and New England have adjusted their expenditures to stay within their reduced revenues, but the College will need to implement reductions during the second half of the year in order to avoid a deficit larger than the budgeted shortfall of \$600,000.

NET TUITION AND FEES

	2002-03 Budgeted	Mid-year Actuals	Variance	Percent Variance
Antioch College	4,959,952	4,832,610	-127,342	-2.57%
Glen Helen	56,210	52,842	-3,368	-5.99%
New England	8,257,692	8,192,972	-64,720	-0.78%
Seattle	4,571,471	4,103,989	-467,482	-10.23%
Southern California	8,059,617	8,442,079	382,462	4.75%
McGregor	2,384,652	2,708,385	323,733	13.58%
Ph.D. in Leadership	590,630	612,150	21,520	3.64%
TOTALS	\$28,880,224	\$28,945,027	\$64,803	0.22%

Gift Income halfway through the fiscal year is trailing the budget by -\$361,845. More than half of this shortfall (-\$197,185) is at the College with the rest distributed to other units. No unit that budgets gift income has actual gift revenue ahead of the budgeted expectation. This is clearly an indication of how the economy is affecting giving to Antioch.

Another major revenue shortfall appears in Released from Restrictions. For the University as a whole, Released from Restrictions is down from budget by -\$442,472 (-19.5%). More than 60% of this reduction (-\$279,033) is at the College, with New England exceeding its budgeted amount by \$190,787 and Southern California below its budgeted target by -\$215,393. University Wide is off by -\$77,062, while Glen Helen is below budget by -\$41,367. There are a variety of reasons why funds that are restricted to specific purposes have not been spent when expected, or why expenditures of restricted funds are running ahead of the budgeted projection. In the case of the College, the purchase of library books from endowed funds is proceeding more slowly than planned, and funds provided to support the Capital Campaign have not been expended due to staff vacancies and the resultant inability to arrange and hold events, prepare publications, and travel. University Wide is under budget because we anticipated that the Financial Modeling Project (Tom Clough) would have proceeded faster and because the Future of Higher Education Project (Al Guskin) is spending more slowly than anticipated. Glen Helen is under budget because of delays in planned renovation of some of its facilities. New England is above budget because of the arrival of additional grant funds.

VI. CONCLUSION

The University as a whole has the largest mid-year accrual balance that it has had in several years. This is due primarily to the balances generated by Southern California and McGregor and the management of expenditures by Seattle and New England. However, the College is projecting a \$600,000 tuition shortfall for the year at a time when its expenses are running above budget.

Those campuses that have developed positive accrual balances at mid-year have already taken steps to invest much of the money. Some of the surplus is due to vacant positions that have now been filled, or delays in the acquisition of equipment and supplies. The campuses with surplus funds should be expected to spend a good portion of the surpluses that they have generated at mid-year to strengthen their programs and insure their future competitiveness. If this happens as expected, the University as a whole will experience an operational deficit unless the College is able to reduce its expenses and keep them in line with its reduced revenues. This will not be easy because the College has been operating under fairly constrained

budgets for the past several years. Nonetheless, the College needs to do everything possible to limit its 2002-03 deficit to the -\$600,000 level contained in the budget.

The performance of the stock market and its affect on gains and losses in the endowment is largely beyond our control. However, our Seattle and New England bond covenants have been amended to exclude investment gains and losses from the calculation that has put us in technical default in the past two years. From now on, investment gains and losses will not be a part of the calculation on any of our bond issues; future calculations will be based entirely on operating income and expense.

In summary, the nonresidential campuses should be encouraged to generate surpluses at year-end and the College must significantly reduce spending during the balance of the fiscal year. The nonresidential campuses can be encouraged to produce surpluses if they are assured that these funds can be made available for future program development, and the ULC will consider ways to make this possible.

Glenn H. Watts
Vice Chancellor and
Chief Financial Officer

ANTIOCH UNIVERSITY
Statement of Activities
For the six months ended
December 31, 2002

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	-----	-----	-----	-----
Revenues and Gains:				
Tuition and fees	28,945,027			28,945,027
Contributions	559,114	1,313,493	20,597	1,893,204
Contracts and other exchange transactions	1,718,595	223,030		1,941,625
Investment income on life income and annuity agreements		31,387	8,472	39,859
Investment income on endowment	-108,427	358,486		250,059
Other investment income	87,399			87,399
Net realized gains(loss) on endowment	-2,305,956			-2,305,956
Net realized gains(loss) on other investments	-2,790	-3,563	-5,238	-11,591
Sales and service of auxiliary enterprises	1,959,586			1,959,586
Other Income	530,900			530,900
Total revenues and gains	31,383,448	1,922,833	23,831	33,330,112
Net assets released from restrictions	1,828,420	-1,828,420		0
Total unrestricted revenues, gains and other support	33,211,868	94,413	23,831	33,330,112
Expenses and Losses:				
Educational and General:				
Instruction	10,810,237			10,810,237
Research	0			0
Public Service	1,497,681			1,497,681
Academic support	1,727,018			1,727,018
Student services	3,184,748			3,184,748
Institutional support	6,080,526			6,080,526
Operation and maintenance of plant	4,036,028			4,036,028
Scholarships and fellowships	1,715,006			1,715,006
Total educational and general expenses	29,051,244	0	0	29,051,244
Auxiliary enterprises	1,480,946			1,480,946
Total expenses	30,532,190	0	0	30,532,190
Actuarial (gain) loss on annuity obligations				0
Payments to life income beneficiaries		81,851	24,150	106,001
Total expenses and losses	30,532,190	81,851	24,150	30,638,191
Excess of Revenue over Expense	2,679,678	12,562	-319	2,691,921
Unrealized gains on investments	512,880			512,880
Change in donor intent on gifts from previous year	0			0
Increase (decrease) in net assets	3,192,558	12,562	-319	3,204,801
Net assets at beginning of year	8,718,861	10,760,688	28,302,098	47,781,647
Net assets at end of period	11,911,419	10,773,250	28,301,779	50,986,448
	=====	=====	=====	=====

ANTIOCH UNIVERSITY
Statement of Financial Position
December 31, 2002

ASSETS	December 31, 2002	June 30, 2002
-----	-----	-----
Cash and Cash Equivalents	209,844	2,344,446
Accounts Receivable	8,126,927	7,524,240
Less Allowance for Bad Debts	-458,512	-417,726
Grants Receivable	10,264	354,628
Contributions Receivable	8,712,544	8,902,545
Less Allowance for Uncollectible	-890,254	-890,255
Prepaid Expenses	678,459	942,449
Loans To Students	5,036,584	4,728,349
Long Term Investments	32,516,540	32,775,748
Land, Buildings and Equipment	63,698,911	62,491,885
Less Accumulated Depreciation	-34,722,339	-33,255,921
TOTAL ASSETS	82,918,968	85,500,388
	=====	=====
LIABILITIES		

Accounts Payable	169,945	1,195,587
Accrued Benefit Liabilities	3,454,234	3,600,782
Other Accrued Liabilities	2,280,307	1,986,335
Deferred Revenue	2,662,618	7,534,047
Notes and Bonds Payable	15,700,497	16,105,596
Annuities Payable	2,017,220	2,017,220
Deposits Held on Behalf of Others	1,050,289	681,798
Advances from Government for Student Loans	4,597,410	4,597,376
TOTAL LIABILITIES	31,932,520	37,718,741
NET ASSETS		

Unrestricted	11,911,419	8,719,861
Temporarily Restricted	10,773,250	10,793,370
Permanently Restricted	28,301,779	28,268,416
TOTAL NET ASSETS	50,986,448	47,781,647
TOTAL LIABILITIES AND NET ASSETS	82,918,968	85,500,388
	=====	=====

ANTIOCH UNIVERSITY
Statement of Cash Flows
For the 6 Months Ended
December 31, 2002

	December 31, 2002 -----	June 30, 2002 -----
Cash flows from operating activities:		
Change in net assets	3,204,801	7,804,489
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	1,466,418	2,959,297
(Gain) loss on sale of equipment		35,630
(Increase) decrease in accounts and grants receivable	(217,537)	(186,681)
(Increase) decrease in contributions receivable	190,002	134,278
(Increase) decrease in prepaids	263,990	146,772
Increase (decrease) in accounts payable and accrued expenses	(878,218)	206,942
Increase (decrease) in annuity liability	0	(15,273)
Increase (decrease) in deferred revenues	(4,871,429)	1,245,847
Increase (decrease) in deposits held for others	368,491	(97,862)
Net (gain) loss on sales of investments	1,804,667	2,193,414
Contributions restricted for permanent investment	(20,597)	(10,467,009)
 Net cash provided by (used for) operating activities	 1,310,588	 3,959,844
Cash flows from investing activities:		
Net Proceeds from sales and maturities of investments	(1,545,459)	(10,677,913)
Purchases of land, building and equipment	(1,207,026)	(2,060,264)
Proceeds from the sale of equipment	0	1,000
Disbursements of loans to students	(860,675)	(1,126,115)
Repayments of loans from students	552,440	1,058,748
 Net cash provided by (used for) investing activities	 (3,060,720)	 (12,804,544)
Cash flows from financing activities:		
Contributions restrited for permanent investment	20,597	10,467,009
Proceeds from issuance of indebtedness		13,757
Repayments of principal of indebtedness	(405,099)	(1,024,061)
Receipts from (contributions to) governmental loan funds	32	18,556
 Net cash provided by (used for) financing activities	 (384,470)	 9,475,261
 Net increase (decrease) in cash and cash equivalents	 (2,134,602)	 630,561
Cash and cash equivalents at beginning of year	2,344,446	1,713,885
Cash and cash equivalents at end of period	209,844	2,344,446

Antioch University

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	27,406,790	29,099,854	32,205,784	32,340,653	134,869	0.42%	3,240,799	11.14%
Less Tuition Discounts	-1,970,775	-2,529,696	-3,325,560	-3,395,626	-70,066	-2.11%	-865,930	-34.23%
Net Tuition and Fees	25,436,015	26,570,158	28,880,224	28,945,027	64,803	0.22%	2,374,869	8.94%
Gifts	954,858	803,010	920,959	559,114	-361,845	-39.29%	-243,896	-30.37%
Lead Gifts	0	0	0	0	0		0	
Grants	1,348,355	1,652,312	1,905,836	1,599,369	-306,467	-16.08%	-52,943	-3.20%
Endowment Income	16,652	1,289	200,535	-108,427	-308,962	-154.07%	-109,716	-8511.71%
Contracts	471,283	277,679	115,805	119,225	3,420	2.95%	-158,454	-57.06%
Other Income	760,347	667,589	601,345	618,313	16,968	2.82%	-49,276	-7.38%
Realized Gains	-218,784	-263,226	0	-2,308,759	-2,308,759		-2,045,533	-777.10%
Unrealized Gains	-651,951	-1,034,595	0	512,880	512,880		1,547,475	149.57%
Total E&G Revenue	28,116,775	28,674,216	32,624,704	29,936,742	-2,687,962	-8.24%	1,262,526	4.40%
Auxiliary Enterprises	1,836,701	1,853,350	2,146,571	1,959,586	-186,985	-8.71%	106,236	5.73%
Released From Restrictions	966,966	1,310,497	2,270,891	1,971,692	-299,199	-13.18%	661,195	50.45%
Total Revenues	30,920,442	31,838,063	37,042,166	33,868,020	-3,174,146	-8.57%	2,029,957	6.38%
Net Overhead for Central Operations	1,331,090	1,196,221	1,100,002	1,069,053	-30,949	-2.81%	-127,168	-10.63%
Operating Expenses								
Instruction	9,782,223	9,511,381	11,802,285	10,810,237	-992,048	-8.41%	1,298,856	13.66%
Research	8,600	0	0	0	0		0	
Public Service	1,395,566	1,565,291	1,466,005	1,503,034	37,029	2.53%	-62,257	-3.98%
Academic Support	1,716,573	1,574,353	1,901,366	1,727,018	-174,348	-9.17%	152,665	9.70%
Student Services	3,054,375	2,954,340	3,265,599	3,184,749	-80,850	-2.48%	230,409	7.80%
Institutional Support	8,903,651	8,437,371	8,085,216	7,144,227	-940,989	-11.64%	-1,293,144	-15.33%
Plant Maintenance	3,910,406	3,775,574	3,941,819	4,036,028	94,209	2.39%	260,454	6.90%
Scholarships	1,548,934	1,792,750	1,652,295	1,715,006	62,711	3.80%	-77,744	-4.34%
Total E&G Expenses	30,320,328	29,611,060	32,114,585	30,120,299	-1,994,286	-6.21%	509,239	1.72%
Auxiliary Enterprises	1,471,104	1,390,455	1,450,612	1,480,944	30,332	2.09%	90,489	6.51%
Total Operating Expenses	31,791,432	31,001,515	33,565,197	31,601,243	-1,963,954	-5.85%	599,728	1.93%
Excess Revenue over Expenses	460,100	2,032,769	4,576,971	3,335,830	-1,241,141	-27.12%	1,303,061	64.10%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	1,436,834	1,144,055	1,011,980	1,350,062	338,082	33.41%	206,007	18.01%
Borrowing Proceeds	-1,178,000	-580,275	0	-162,206	-162,206		418,069	72.05%
Principal Payments	449,851	578,924	370,008	405,098	35,090	9.48%	-173,826	-30.03%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	-1,406,495	-1,465,775	-1,442,606	-1,469,572	-26,966	-1.87%	-3,797	-0.26%
Total Cash Items	-697,810	-323,071	-60,618	123,382	184,000	303.54%	446,453	138.19%
Net Cash Basis Budget	1,157,910	2,355,840	4,637,589	3,212,448	-1,425,141	-30.73%	856,608	36.36%

Antioch University

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	32,251,532	33,034,284	38,142,168	34,937,073	-3,205,095	-8.40%	1,902,789	5.76%
Operating Expenses								
Salaries & Wages	13,888,969	14,322,700	15,195,533	14,680,277	-515,256	-3.39%	357,577	2.50%
Benefits	4,009,550	4,143,369	4,748,020	4,443,617	-304,403	-6.41%	300,248	7.25%
Training & Development	838,536	680,997	1,239,570	885,046	-354,524	-28.60%	204,049	29.96%
Student Aid Services	934,660	1,063,448	1,114,242	1,101,435	-12,807	-1.15%	37,987	3.57%
Special Events	116,318	70,613	126,740	100,623	-26,117	-20.61%	30,010	42.50%
Supplies	778,855	657,843	900,681	807,814	-92,867	-10.31%	149,971	22.80%
Business Operations	3,607,501	2,902,845	3,901,145	3,510,552	-390,593	-10.01%	607,707	20.93%
Plant Maintenance	1,942,896	1,850,884	2,068,094	1,987,676	-80,418	-3.89%	136,792	7.39%
Interest Expense	864,720	721,873	668,644	662,706	-5,938	-0.89%	-59,167	-8.20%
Resale Costs	424,636	379,401	348,496	384,304	35,808	10.28%	4,903	1.29%
Miscellaneous	243,029	198,981	244,008	387,647	143,639	58.87%	188,666	94.82%
Contingency/Reserves								
Campus Contingency, Mandatory	771,660	760,655	256,303	0	-256,303	-100.00%	-760,655	-100.00%
Campus Program Contingency, Discretionary	50,000	0	93,274	0	-93,274	-100.00%	0	
Liquidity Reserve	500,862	492,448	0	0	0		-492,448	-100.00%
Overhead								
To the University	2,547,940	2,624,014	1,369,067	1,368,055	-1,012	-0.07%	-1,255,959	-47.86%
Rebates from the University	-1,016,851	-1,053,541	0	0	0		1,053,541	100.00%
Subsidy from Adult Campuses	2	2	0	0	0		-2	-100.00%
Subsidy from Overhead	-200,000	-374,250	-300,000	-300,000	0	0.00%	74,250	19.84%
Other (Intercampus Agree & Univ Conf)	81,654	93,458	148,774	111,919	-36,855	-24.77%	18,461	19.75%
Depreciation	1,406,495	1,465,775	1,442,606	1,469,572	26,966	1.87%	3,797	0.26%
Total Operating Expenses	31,791,432	31,001,515	33,565,197	31,601,243	-1,963,954	-5.85%	599,728	1.93%
Excess Revenue over Expenses	460,100	2,032,769	4,576,971	3,335,830	-1,241,141	-27.12%	1,303,061	64.10%
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ANTIOCH COLLEGE

2002-03 Mid-Year Performance

Enrollment:

The fall 2002 College enrollment improved over the prior year with 190 new students beginning study, five more than in 2001, and 234 students continuing study on the campus and 167 participating in co-ops. The degree-seeking enrollment for the fall term was 591 compared with 550 in the previous year. The total enrollment, including non-degree seeking students, totaled 727 compared with 673 in the previous year. Despite the growth over 2001, the 2002 fall enrollment did not reach the projected budget target of 618 students, and the lower fall enrollment produced a shortfall of -\$162,187.

Tabulation of the spring 2003 enrollment has not been completed because students are continuing to register. A number of these students are already on campus, while others are settling in at their new co-op positions and have not had time to complete the second semester registration requirements. Nonetheless, we have some indication that enrollment will be lower in the second semester than we had anticipated. The budget projected that we would have 26 new students enrolling for the spring semester, but so far we have only 15. Continuing enrollment, both on-campus and in co-op, was budgeted at 572. In total, we budgeted for a spring enrollment of 598 students, but we may have as many as 37 students fewer than anticipated. At the moment, 61 students who we expected to enroll in the spring semester (21 on campus and 40 on co-op) have not completed registration. Until these 61 students are accounted for, we cannot issue the final report on enrollment.

Although we may have been overly optimistic in projecting our enrollment growth for 2002-03, the recent changes in our Admissions operation designed to correct enrollment shortfalls are producing promising results. Due to these changes, we are seeing an increase of 38% in applications for the fall 2003 semester compared with this date last year. For many years, Antioch College has had a large number of inquiries, but has not been able to convert the inquiries to applications. The efforts of the Admissions Office this year have been focused on generating applications rather than inquiries. (Conversion of applicants to matriculants has historically not been a problem; Antioch College has an enviable yield rate hovering around 40%—that is, 40% of accepted candidates actually enroll.)

Operating Revenues:

Tuition and Fee Income: The fall term is our largest enrollment period and because it was down by 29 students from the budgeted level, and we also projected as many as 37 more students in the budget for the spring term and 39 more continuing in the summer than now seems likely. Discounts for College undergraduates were about \$200,000 less than budgeted because of the lower than anticipated enrollment, but higher AEA enrollments resulted in discounts that are greater

ANTIOCH COLLEGE

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than budgeted by \$44,200. The Antioch Education Abroad program has enrolled more students than anticipated and the fall term is showing increased revenue of \$97,874. Because most AEA activity occurs during the fall term, we are not anticipating a surplus for the spring or summer terms. Counting the positive affect of AEA, gross tuition and fee income for the year is expected to be about -\$518,100 below budget.

The most disturbing aspect of the budget has been the unanticipated impact of the Pre-Paid Tuition Term. Although we should have been able to forecast this amount when developing the 2002-03 budget, the actual impact has been understated by -\$216,100. We now have accurate projections of the impact of the Pre-Paid Term and we are taking steps to reduce the impact of this policy. In total, the tuition discounts for the year should run about \$58,500 more than we had anticipated in the budget.

Room and board revenue is running below the anticipated level because of the lower than expected enrollment. Although the budget anticipated lower tuition and fee revenue as a result of the increased tuition discount policy, we had expected to generate surplus room and board revenue as a result of the higher enrollments. Because enrollments did not reach the budgeted level, this has not happened and we are expecting an annual shortfall in auxiliary income of -\$135,021.

At this point in the year with the spring semester enrollment unclear and summer yet to materialize, we are projecting a student-related income shortfall for the year of about -\$600,000.

Gift Income: The College's Summary by Function schedule indicates that gift income for 2002-03 is below budget by -\$197,185 as of December 31. However, the Development Office reports that it was unable to process many of the contribution letters received late in the calendar year due to the holiday break. As of January 8, the Development Office had received, but not fully processed, \$564,779 in unrestricted cash gifts. This figure is more than the \$519,502 that was budgeted for the first six months of the year, and it appears that gift income is at least where it should be at mid-year.

This positive result comes despite the fact that the economy is having a depressing effect on annual giving. We have identified a number of reduced gifts as well as some significant gifts that will not be repeated in the current year. In addition, staff turnover in the Development Office no doubt reduced our ability to raise funds in the fall. However, beginning in January, three new members have been added to the development team. A director of development, a director of communications, and a director of the annual fund are now available to help us reach our potential.

Grants Income: Grant income appears to be \$65,769 ahead of budget, but this is actually the result of accelerated Federal Work Study Program spending. Because we used a larger portion of our annual FWSP allocation in the first half of the year, we are drawing down funds at a faster rate.

Released from Restrictions: At the mid-point of the fiscal year, Released from Restrictions revenue is -\$279,033 below budget. While there has been increased spending in a number of areas, the most significant reductions in planned spending are in the library where about \$40,000 that was budgeted for library book purchases has not been spent, and the Capital Campaign, which has spent about \$326,000 less than had been anticipated. Development staff vacancies account for some of the reduced spending and, without staff, other activities have been curtailed.

Operating Expenses:

Operating expenses at the mid-point of the fiscal year are running slightly ahead of budget, primarily due to increased FWSP spending during the fall term. This increased spending appears on the Salaries & Wages line where virtually all of the additional \$144,081 is the result of the accelerated FWSP commitments. The Financial Aid Office is working to insure that the College does not exceed the 2002-03 allocation.

Business Operations expenditures are running \$70,358 ahead of budget. This is due to the cost of mold and bacteria remediation efforts required during the fall term. Both Spalt and Presidents were identified as having high levels of mold and bacteria, and without remediation, we would not be able to continue using these buildings. The work is now almost complete and, while much of the expense has been for capital equipment and improvements, operating expenses were also increased for unanticipated services such as testing, and for cleaning materials.

Training & Development is \$55,922 below budget due to efforts to limit travel expenses in light of our lower revenues. Similarly, Special Events are \$26,153 below budget and our Supplies budget is \$11,468 under budget. Plant maintenance is \$60,322 below budget.

At mid-year, expenses are \$1.4 million greater than revenue, but only \$803,000 more than budget. If the updated Gifts figure from the Development Office is considered, expenses are less than \$1.2 million greater than revenue. We at the College understand that we need to do everything possible to stay within our revenues, and efforts are well along to reduce expenses during the remainder of the year. However, the College has been operating on a very limited budget for several years and it may not be possible to totally prevent the deficit from exceeding the \$600,000 amount included in the 2002-03 budget.

Joan Straumanis
President

Antioch College

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	6,632,882	7,478,130	8,173,310	8,108,997	-64,313	-0.79%	630,867	8.44%
Less Tuition Discounts	-1,777,693	-2,366,994	-3,213,358	-3,276,387	-63,029	-1.96%	-909,393	-38.42%
Net Tuition and Fees	4,855,189	5,111,136	4,959,952	4,832,610	-127,342	-2.57%	-278,526	-5.45%
Gifts	655,738	465,482	519,502	322,317	-197,185	-37.96%	-143,165	-30.76%
Lead Gifts	0	0	0	0	0		0	
Grants	780,920	964,021	750,894	816,663	65,769	8.76%	-147,358	-15.29%
Endowment Income	97,642	93,146	86,323	70,446	-15,877	-18.39%	-22,700	-24.37%
Contracts	305	24,907	1,500	5,080	3,580	238.67%	-19,827	-79.60%
Other Income	130,812	65,019	55,380	50,002	-5,378	-9.71%	-15,017	-23.10%
Realized Gains	1,522	647	0	-2,803	-2,803		-3,450	-533.23%
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	6,522,128	6,724,358	6,373,551	6,094,315	-279,236	-4.38%	-630,043	-9.37%
Auxiliary Enterprises	1,428,904	1,403,032	1,643,042	1,563,257	-79,785	-4.86%	160,225	11.42%
Released From Restrictions	331,530	295,889	1,205,575	926,542	-279,033	-23.15%	630,653	213.14%
Total Revenues	8,282,562	8,423,279	9,222,168	8,584,114	-638,054	-6.92%	160,835	1.91%
Operating Expenses								
Instruction	2,793,504	2,225,942	2,725,312	2,800,314	75,002	2.75%	574,372	25.80%
Research	0	0	0	0	0		0	
Public Service	0	589	0	0	0		-589	-100.00%
Academic Support	561,210	519,949	553,161	523,864	-29,297	-5.30%	3,915	0.75%
Student Services	1,285,262	1,303,853	1,393,687	1,464,148	70,461	5.06%	160,295	12.29%
Institutional Support	1,587,180	1,583,258	1,313,787	1,101,814	-211,973	-16.13%	-481,444	-30.41%
Plant Maintenance	875,230	763,326	1,514,525	1,623,007	108,482	7.16%	859,681	112.62%
Scholarships	1,132,611	1,358,844	1,157,252	1,268,241	110,989	9.59%	-90,603	-6.67%
Total E&G Expenses	8,234,997	7,755,761	8,657,724	8,781,388	123,664	1.43%	1,025,627	13.22%
Auxiliary Enterprises	1,184,960	1,116,761	1,171,238	1,212,346	41,108	3.51%	95,585	8.56%
Total Operating Expenses	9,419,957	8,872,522	9,828,962	9,993,734	164,772	1.68%	1,121,212	12.64%
Excess Revenue over Expenses	-1,137,395	-449,243	-606,794	-1,409,620	-802,826	-132.31%	-960,377	-213.78%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	1,108,781	220,895	605,438	756,950	151,512	25.03%	536,055	242.67%
Borrowing Proceeds	-1,052,939	-195,333	0	-162,206	-162,206		33,127	16.96%
Principal Payments	295,209	364,831	264,715	280,044	15,329	5.79%	-84,787	-23.24%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-710,571	-707,626	2,945	0.41%	-707,626	
Total Cash Items	351,051	390,393	159,582	167,162	7,580	4.75%	-223,231	-57.18%
Net Cash Basis Budget	-1,488,446	-839,636	-766,376	-1,576,782	-810,406	-105.75%	-737,146	-87.79%

Antioch College

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	8,282,562	8,423,279	9,222,168	8,584,114	-638,054	-6.92%	160,835	1.91%
Operating Expenses								
Salaries & Wages	4,128,149	4,272,739	4,041,117	4,185,198	144,081	3.57%	-87,541	-2.05%
Benefits	1,385,179	1,403,350	1,391,374	1,394,659	3,285	0.24%	-8,691	-0.62%
Training & Development	325,357	185,996	416,006	360,084	-55,922	-13.44%	174,088	93.60%
Student Aid Services	840,986	936,606	911,680	907,210	-4,470	-0.49%	-29,396	-3.14%
Special Events	38,439	22,666	76,096	49,943	-26,153	-34.37%	27,277	120.34%
Supplies	399,655	377,233	488,493	477,025	-11,468	-2.35%	99,792	26.45%
Business Operations	1,173,353	840,220	1,157,694	1,228,052	70,358	6.08%	387,832	46.16%
Plant Maintenance	607,515	521,060	697,137	636,815	-60,322	-8.65%	115,755	22.22%
Interest Expense	159,061	102,153	76,943	68,582	-8,361	-10.87%	-33,571	-32.86%
Resale Costs	200,241	163,980	130,006	168,699	38,693	29.76%	4,719	2.88%
Miscellaneous	197,629	130,762	111,459	206,559	95,100	85.32%	75,797	57.97%
Contingency/Reserves								
Campus Contingency, Mandatory	144,505	135,567	17,102	0	-17,102	-100.00%	-135,567	-100.00%
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	90,316	84,730	0	0	0		-84,730	-100.00%
Overhead								
To the University	496,736	565,385	0	0	0		-565,385	-100.00%
Rebates from the University	-275,000	-275,000	0	0	0		275,000	100.00%
Subsidy from Adult Campuses	-100,000	-100,000	0	0	0		100,000	100.00%
Subsidy from Overhead	-200,000	-374,250	-300,000	-300,000	0		74,250	19.84%
Other (Intercampus Agree & Univ Conf)	-192,164	-120,675	-96,716	-96,718	-2		23,957	19.85%
Depreciation	0	0	710,571	707,626	-2,945	-0.41%	707,626	
Total Operating Expenses	9,419,957	8,872,522	9,828,962	9,993,734	164,772	1.68%	1,121,212	12.64%
Excess Revenue over Expenses	-1,137,395	-449,243	-606,794	-1,409,620	-802,826	-132.31%	-960,377	-213.78%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	1,108,781	220,895	605,438	756,950	151,512	25.03%	536,055	242.67%
Borrowing Proceeds	-1,052,939	-195,333	0	-162,206	-162,206		33,127	16.96%
Principal Payments	295,209	364,831	264,715	280,044	15,329	5.79%	-84,787	-23.24%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-710,571	-707,626	2,945	0.41%	-707,626	
Total Cash Items	351,051	390,393	159,582	167,162	7,580	4.75%	-223,231	-57.18%
Net Cash Basis Budget	-1,488,446	-839,636	-766,376	-1,576,782	-810,406	-105.75%	-737,146	-87.79%

GLEN HELEN ECOLOGY INSTITUTE

2002-03 Mid-Year Performance

Revenues: Total revenue for the quarter ending was \$313,655, \$63,924 below budget. To date, funds released from restriction are \$41,367 below budget, accounting for the largest portion of the overall revenue variance. Gifts show a negative variance of \$6,721, typical for this time of year. (It doesn't account for the usual year-end gifts that get recorded in January.)

Expenses: Operating expenses were favorable to budget by \$70,401. Business Operations, Plant Maintenance, Supplies, and Salaries & Wages all contributed to this favorable balance.

Actual Revenue over Expenses (Net Total) for the year to date is -\$16,782. This reflects a continued decline in the overall deficit. The third quarter typically represents a period of increased giving, reflecting the Institute's annual year-end appeal.

The Glen Helen Crew Leader (maintenance) was recently placed on medical leave (disability). Depending upon his return, this may be a budget concern as the Glen is responsible for 1/3 of his current salary in addition to paying the full-time salary for the staff replacement. Because the Glen has only a single maintenance staff person to maintain its 23 facilities and 1000 acres, this position must be maintained.

Robert S. Whyte
Executive Director

Glen Helen

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	58,527	70,793	56,210	52,842	-3,368	-5.99%	-17,951	-25.36%
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	58,527	70,793	56,210	52,842	-3,368	-5.99%	-17,951	-25.36%
Gifts	21,564	43,662	41,883	35,162	-6,721	-16.05%	-8,500	-19.47%
Lead Gifts	0	0	0	0	0		0	
Grants	4,001	0	7,500	5,844	-1,656	-22.08%	5,844	
Endowment Income	21,000	21,000	21,000	21,000	0	0.00%	0	0.00%
Contracts	3,410	5,013	5,215	4,684	-531	-10.18%	-329	-6.56%
Other Income	0	0	0	308	308		308	
Realized Gains	0	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	108,502	140,468	131,808	119,840	-11,968	-9.08%	-20,628	-14.69%
Auxiliary Enterprises	128,456	150,544	136,586	125,997	-10,589	-7.75%	-24,547	-16.31%
Released From Restrictions	7,460	178,347	109,185	67,818	-41,367	-37.89%	-110,529	-61.97%
Total Revenues	244,418	469,359	377,579	313,655	-63,924	-16.93%	-155,704	-33.17%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	306,698	310,037	392,336	321,954	-70,382	-17.94%	11,917	3.84%
Academic Support	0	0	0	0	0		0	
Student Services	0	0	0	0	0		0	
Institutional Support	0	0	0	0	0		0	
Plant Maintenance	0	0	8,502	8,483	-19		8,483	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	306,698	310,037	400,838	330,437	-70,401	-17.56%	20,400	6.58%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	306,698	310,037	400,838	330,437	-70,401	-17.56%	20,400	6.58%
Excess Revenue over Expenses	-62,280	159,322	-23,259	-16,782	6,477	27.85%	-176,104	-110.53%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	153,020	21,760	21,587	-173	-0.80%	-131,433	-85.89%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-8,502	-8,483	19	0.22%	-8,483	
Total Cash Items	0	153,020	13,258	13,104	-154	-1.16%	-139,916	-91.44%
Net Cash Basis Budget	-62,280	6,302	-36,517	-29,886	6,631	18.16%	-36,188	-574.23%

Glen Helen

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	244,418	469,359	377,579	313,655	-63,924	-16.93%	-155,704	-33.17%
Operating Expenses								
Salaries & Wages	159,083	148,205	179,747	163,073	-16,674	-9.28%	14,868	10.03%
Benefits	47,148	46,261	45,201	50,680	5,479	12.12%	4,419	9.55%
Training & Development	2,591	5,627	3,578	3,107	-471	-13.16%	-2,520	-44.78%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	504	300	109	-191	-63.67%	-395	-78.37%
Supplies	28,787	22,153	33,221	19,038	-14,183	-42.69%	-3,115	-14.06%
Business Operations	25,083	32,707	58,897	42,620	-16,277	-27.64%	9,913	30.31%
Plant Maintenance	39,364	49,490	62,744	37,844	-24,900	-39.69%	-11,646	-23.53%
Interest Expense	-50	0	36	35	-1	-2.78%	35	
Resale Costs	2,972	2,790	4,002	5,281	1,279	31.96%	2,491	89.28%
Miscellaneous	1,720	2,300	2,938	167	-2,771	-94.32%	-2,133	-92.74%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	1,672	0	-1,672	-100.00%	0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0		0	
Depreciation	0	0	8,502	8,483	-19	-0.22%	8,483	
Total Operating Expenses	306,698	310,037	400,838	330,437	-70,401	-17.56%	20,400	6.58%
Excess Revenue over Expenses	-62,280	159,322	-23,259	-16,782	6,477	27.85%	-176,104	-110.53%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	153,020	21,760	21,587	-173	-0.80%	-131,433	-85.89%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-8,502	-8,483	19	0.22%	-8,483	
Total Cash Items	0	153,020	13,258	13,104	-154	-1.16%	-139,916	-91.44%
Net Cash Basis Budget	-62,280	6,302	-36,517	-29,886	6,631	18.16%	-36,188	-574.23%

ANTIOCH NEW ENGLAND GRADUATE SCHOOL

2002-03 Mid-Year Performance

The financial health of Antioch New England as of the end of the second quarter of 2002-03 is good. Our income to-date is a bit shy of budget, but current enrollment predicts that we'll be ahead of budget by year-end. Our spending has been about \$200,000 below budget year-to-date. Our enrollment of new students is substantially up for the current year (total new enrollment for the current academic year stands now at 350, compared to 304 for last year, a 15% increase in new headcount). Total applications for Fall 2003 enrollment now stands at 215; at this time a year ago, total applications were 170, so this is additional cause for optimism for continued substantial growth.

Looking at our revenue numbers, we are about \$63,000 below expectation in tuition income to-date, about \$43,000 of that is ordinary income, and \$20,000 is restricted. The restricted income will not generate an expense unless it is actually received. The ordinary income variance, which is potentially more worrying, reflects a greater balance of part-time to full-time students this past summer, and will be erased as the year continues through the continuing payment of tuition by the larger number of fall and spring students we've enrolled.

We are down in gifts we recognize as current income, but up in restricted gifts. Some of our annual giving has migrated into our capital campaign. We're not focusing on collecting capital gifts yet — that comes later in the four-year campaign — but we have been pushing to match a faculty donation for a scholarship that was recorded as a future liability because of the requirement that the donation be returned if the match is not raised.

We are down \$206,000 on the grant line, but \$190,000 of that is actually a grant that entered our budget as fund-3, restricted, that has just been released. You can see that \$190,000 as funds "released from restriction," balancing the largest piece of this hit. We do have some diminished income on the grant side that we have to recognize, though, reflecting the conservative posture of grant-makers in this tough economy. The \$38,000 in "other income" we see here as a negative variance is actually a timing issue — two entries made late will set this variance back to zero.

You can see that our instruction expenses are \$238,000 under budget; some, but not all, of that will come back into balance during the remainder of the year.

We've spent about \$22,000 more in benefits this year than expected; most of this sum comes from unanticipated recruitment and moving expenses for new employees.

Capital expenditures are \$139,000 over what we had anticipated, mostly due to improvements as part of the build-out of the new public high school on our grounds. We have taken a \$125,000 capital charge to-date for that project, which is entirely funded by third parties.

Finally, we are now predicting that attrition for the year will be about 2.5% lower than last year, which should allow us an additional \$225,000 in retained tuition, and we have no shortage of uses for those funds.

The bottom line at mid-year is that we're predicting a clean break-even for the year, and a good deal of current growth and growth going forward into the next year.

Peter S. Temes
President

Antioch New England Graduate School
December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual -----	Dec 31, 2001 Actual -----	2002-03 Budget -----	Dec 31, 2002 Actual -----	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$ -----	% -----	\$ -----	% -----
Revenues								
Tuition & Fees	7,484,766	7,729,021	8,257,692	8,194,652	-63,040	-0.76%	465,631	6.02%
Less Tuition Discounts	-1,485	-1,910	0	-1,680	-1,680		230	12.04%
Net Tuition and Fees	7,483,281	7,727,111	8,257,692	8,192,972	-64,720	-0.78%	465,861	6.03%
Gifts	70,458	4,385	28,566	11,999	-16,567	-58.00%	7,614	173.64%
Lead Gifts	0	0	0	0	0		0	
Grants	245,206	393,560	602,997	396,560	-206,437	-34.24%	3,000	0.76%
Endowment Income	0	0	0	0	0		0	
Contracts	341,106	199,026	109,090	95,245	-13,845	-12.69%	-103,781	-52.14%
Other Income	138,292	102,081	79,895	46,122	-33,773	-42.27%	-55,959	-54.82%
Realized Gains	4,757	0	0	0	0		0	
Unrealized Gains	0	0	0	-4,850	-4,850		-4,850	
Total E&G Revenue	8,283,100	8,426,163	9,078,240	8,738,048	-340,192	-3.75%	311,885	3.70%
Auxiliary Enterprises	0	434	0	1,356	1,356		922	212.44%
Released From Restrictions	174,789	322,312	108,943	299,730	190,787	175.13%	-22,582	-7.01%
Total Revenues	8,457,889	8,748,909	9,187,183	9,039,134	-148,049	-1.61%	290,225	3.32%
Operating Expenses								
Instruction	2,280,178	2,254,783	2,599,866	2,361,232	-238,634	-9.18%	106,449	4.72%
Research	0	0	0	0	0		0	
Public Service	479,450	580,282	399,925	477,194	77,269	19.32%	-103,088	-17.77%
Academic Support	290,621	241,166	314,281	308,531	-5,750	-1.83%	67,365	27.93%
Student Services	305,725	311,873	332,822	345,349	12,527	3.76%	33,476	10.73%
Institutional Support	1,760,790	1,599,519	1,472,395	1,389,405	-82,990	-5.64%	-210,114	-13.14%
Plant Maintenance	331,750	303,769	573,868	568,899	-4,969	-0.87%	265,130	87.28%
Scholarships	183,738	205,975	180,000	191,281	11,281	6.27%	-14,694	-7.13%
Total E&G Expenses	5,632,252	5,497,367	5,873,157	5,641,891	-231,266	-3.94%	144,524	2.63%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	5,632,252	5,497,367	5,873,157	5,641,891	-231,266	-3.94%	144,524	2.63%
Excess Revenue over Expenses	2,825,637	3,251,542	3,314,026	3,397,243	83,217	2.51%	145,701	4.48%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	83,937	208,174	163,504	302,998	139,494	85.32%	94,824	45.55%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	85,000	115,073	17,154	23,476	6,322	36.85%	-91,597	-79.60%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-234,000	-233,236	764	-0.33%	-233,236	
Total Cash Items	168,937	323,247	-53,342	93,238	146,580	-274.79%	-230,009	-71.16%
Net Cash Basis Budget	2,656,700	2,928,295	3,367,368	3,304,005	-63,363	-1.88%	375,710	12.83%

Antioch New England Graduate School
December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	8,457,889	8,748,909	9,187,183	9,039,134	-148,049	-1.61%	290,225	3.32%
Operating Expenses								
Salaries & Wages	2,776,275	2,686,710	2,887,964	2,813,009	-74,955	-2.60%	126,299	4.70%
Benefits	883,286	800,950	912,019	934,563	22,544	2.47%	133,613	16.68%
Training & Development	147,577	233,958	258,622	173,816	-84,806	-32.79%	-60,142	-25.71%
Student Aid Services	20,385	30,198	21,500	63,744	42,244	196.48%	33,546	111.09%
Special Events	4,843	1,414	5,327	8,562	3,235	60.73%	7,148	505.52%
Supplies	89,372	69,954	94,135	65,048	-29,087	-30.90%	-4,906	-7.01%
Business Operations	605,971	587,153	557,784	575,160	17,376	3.12%	-11,993	-2.04%
Plant Maintenance	165,607	150,416	161,016	171,491	10,475	6.51%	21,075	14.01%
Interest Expense	217,083	196,991	210,561	197,693	-12,868	-6.11%	702	0.36%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	8,833	19,597	14,064	15,466	1,402	9.97%	-4,131	-21.08%
Contingency/Reserves								
Campus Contingency, Mandatory	179,530	176,150	95,156	0	-95,156	-100.00%	-176,150	-100.00%
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	112,206	110,094	0	0	0		-110,094	-100.00%
Overhead								
To the University	577,198	605,517	371,664	371,664	0	0.00%	-233,853	-38.62%
Rebates from the University	-208,641	-228,995	0	0	0		228,995	-100.00%
Subsidy from Adult Campuses	29,902	27,050	0	0	0		-27,050	-100.00%
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	22,825	30,210	49,345	18,439	-30,906	-62.63%	-11,771	-38.96%
Depreciation	0	0	234,000	233,236	-764	-0.33%	233,236	
Total Operating Expenses	5,632,252	5,497,367	5,873,157	5,641,891	-231,266	-3.94%	144,524	2.63%
Excess Revenue over Expenses	2,825,637	3,251,542	3,314,026	3,397,243	83,217	2.51%	145,701	4.48%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	83,937	208,174	163,504	302,998	139,494	85.32%	94,824	45.55%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	85,000	115,073	17,154	23,476	6,322	36.85%	-91,597	-79.60%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-234,000	-233,236	764	-0.33%	-233,236	
Total Cash Items	168,937	323,247	-53,342	93,238	146,580	-274.79%	-230,009	-71.16%
Net Cash Basis Budget	2,656,700	2,928,295	3,367,368	3,304,005	-63,363	-1.88%	375,710	12.83%

ANTIOCH SEATTLE

2002-03 Mid-Year Performance

REVENUE

Tuition and fee revenue is low for the first two quarters of the 2002-03 fiscal year. The source of the shortage this year is lower than projected enrollments in all programs. The largest discrepancies are in education and psychology. While the psychology program clearly had a waiting list for fall quarter, apparently there was a miscalculation in the ratio between headcount and FTE amounting to a premature and costly cap on enrollments. Education's enrollment problems center on the off-site projections for the MA program, while their teacher certification and BATC enrollments remain strong. The primary problem rests with a lack of planning and organized recruiting in the department responsible for the off-site cohorts. These issues have continued to plague Seattle year after year, particularly with the Education projections. We have made a concerted effort to build a system into our 2003-04 FTE projection process that we hope will result in much more accurate projections in the future.

Gift revenue is also below projections. The untimely death of our Dean of University Relations last year was a real set back. Fortunately, we now have a very experienced fund raising professional aboard and we begin again. Although we conducted an annual campaign before the holidays, the results were below norm and the downturn in the Northwest economy continues to have its impact on individual donations. We picked up an additional \$14,000 in unrestricted money over the holidays that is not reflected in these reports due to when the money was deposited. However, we have seen activity in the restricted area and received \$18,000 from US Bank in scholarship money for students enrolled in our BATC program. The focus of the new director for the next few months is to build a lasting foundation for fund raising by expanding our Board of Visitors, locating lost alumni, and establishing a branding/imaging exercise that will provide the basis for the redesign of our Web site.

EXPENSES

Overall, our operating expenses are \$684,000 below projections and our capital expenses are \$60,000 below projections. The operating expenses are low due to a budget cutting exercise we initiated when it was clear we were not going to

meet our revenue projections. The major categories of non-salary activities, supplies, and other expenses that have been put on hold or cut include travel, professional development, food, furnishings, supplies, and consultants.

When compared to previous years, several expense categories show increases that are due to the Gate's & Kellogg grants. Miscellaneous, salaries, business operations, and academic support in the functional report are all impacted by the spending associated with the grant. Grant spending is below budget to date due to some positions starting later than originally anticipated.

The two areas where spending is marginally above budget are student aid services and special events. Student aid services spending is the result of beginning to award some scholarships out of the restricted funds that have been set aside over time. This is a nice milestone for us. As the scholarship endowment grows and organizations, such as US Bank, now have us on their radar screens, we expect to continue to have scholarship money to award each year. Special event spending is over slightly due to scheduling of some alumni and graduation events compared to the budget spread projections. These areas are not problematic in terms of balancing our budget for the year.

Not reflected in the worksheets through December, are our mandatory and discretionary contingency budgets. Both were spread later in the fiscal year. Part of our mandatory contingency was earmarked during the budget process for the 2% raises that we delayed until this winter. When our Winter Quarter enrollments are finalized we will be able to assess if further cuts will be needed to assure a balanced budget at year-end. When we are clear that we can demonstrate the budget cuts are adequate, we will seek permission to give the raises.

Toni Murdock
President

Antioch Seattle

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual -----	Dec 31, 2001 Actual -----	2002-03 Budget -----	Dec 31, 2002 Actual -----	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	4,076,557	4,015,130	4,612,973	4,169,749	-443,224	-9.61%	154,619	3.85%
Less Tuition Discounts	-47,488	-68,628	-41,502	-65,760	-24,258	-58.45%	2,868	4.18%
Net Tuition and Fees	4,029,069	3,946,502	4,571,471	4,103,989	-467,482	-10.23%	157,487	3.99%
Gifts	11,226	15,990	20,002	3,773	-16,229	-81.14%	-12,217	-76.40%
Lead Gifts	0	0	0	0	0		0	
Grants	73,804	67,515	126,453	88,497	-37,956	-30.02%	20,982	31.08%
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Other Income	141,576	199,898	197,416	195,248	-2,168	-1.10%	-4,650	-2.33%
Realized Gains	4,868	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	4,260,543	4,229,905	4,915,342	4,391,507	-523,835	-10.66%	161,602	3.82%
Auxiliary Enterprises	122,507	139,740	204,189	136,289	-67,900	-33.25%	-3,451	-2.47%
Released From Restrictions	17,176	607	330,148	321,068	-9,080	-2.75%	320,461	52794.23%
Total Revenues	4,400,226	4,370,252	5,449,679	4,848,864	-600,815	-11.02%	478,612	10.95%
Operating Expenses								
Instruction	1,909,894	1,974,463	2,285,933	1,974,385	-311,548	-13.63%	-78	0.00%
Research	0	0	0	0	0		0	
Public Service	650	1,770	939	887	-52		-883	-49.89%
Academic Support	203,414	192,810	598,494	530,168	-68,326	-11.42%	337,358	174.97%
Student Services	360,970	441,736	464,030	402,310	-61,720	-13.30%	-39,426	-8.93%
Institutional Support	1,480,835	1,415,143	1,342,362	1,210,723	-131,639	-9.81%	-204,420	-14.45%
Plant Maintenance	459,739	407,985	731,575	674,214	-57,361	-7.84%	266,229	65.25%
Scholarships	74,304	68,491	125,594	98,674	-26,920	-21.43%	30,183	44.07%
Total E&G Expenses	4,489,806	4,502,398	5,548,927	4,891,361	-657,566	-11.85%	388,963	8.64%
Auxiliary Enterprises	169,552	175,405	167,380	140,594	-26,786	-16.00%	-34,811	-19.85%
Total Operating Expenses	4,659,358	4,677,803	5,716,307	5,031,955	-684,352	-11.97%	354,152	7.57%
Excess Revenue over Expenses	-259,132	-307,551	-266,628	-183,091	83,537	31.33%	124,460	40.47%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	53,119	505,102	131,750	71,684	-60,066	-45.59%	-433,418	-85.81%
Borrowing Proceeds	0	-375,000	0	0	0		375,000	100.00%
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-233,052	-229,360	3,692	1.58%	-229,360	
Total Cash Items	53,119	130,102	-101,302	-157,676	-56,374	-55.65%	-287,778	-221.19%
Net Cash Basis Budget	-312,251	-437,653	-165,326	-25,415	139,911	84.63%	412,238	94.19%

Antioch Seattle

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	4,400,226	4,370,252	5,449,679	4,848,864	-600,815	-11.02%	478,612	10.95%
Operating Expenses								
Salaries & Wages	2,296,686	2,481,276	2,883,086	2,543,004	-340,082	-11.80%	61,728	2.49%
Benefits	535,886	596,765	747,724	635,008	-112,716	-15.07%	38,243	6.41%
Training & Development	112,739	44,122	135,351	87,882	-47,469	-35.07%	43,760	99.18%
Student Aid Services	24,143	24,912	22,792	33,161	10,369	45.49%	8,249	33.11%
Special Events	18,608	24,525	17,178	23,392	6,214	36.17%	-1,133	-4.62%
Supplies	68,094	45,441	88,205	64,366	-23,839	-27.03%	18,925	41.65%
Business Operations	285,646	279,900	475,976	327,846	-148,130	-31.12%	47,946	17.13%
Plant Maintenance	128,771	123,036	198,135	162,205	-35,930	-18.13%	39,169	31.84%
Interest Expense	343,576	293,711	292,513	288,448	-4,065	-1.39%	-5,263	-1.79%
Resale Costs	134,545	134,388	124,234	101,176	-23,058	-18.56%	-33,212	-24.71%
Miscellaneous	8,011	4,995	95,529	141,719	46,190	48.35%	136,724	2737.22%
Contingency/Reserves								
Campus Contingency, Mandatory	157,352	153,796	0	0	0		-153,796	-100.00%
Campus Program Contingency, Discretionary	50,000	0	0	0	0		0	
Liquidity Reserve	118,014	115,347	0	0	0		-115,347	-100.00%
Overhead								
To the University	544,736	528,677	369,532	369,530	-2	0.00%	-159,147	-30.10%
Rebates from the University	-196,689	-199,938	0	0	0		199,938	100.00%
Subsidy from Adult Campuses	25,400	26,850	0	0	0		-26,850	-100.00%
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	3,840	0	33,000	24,858	-8,142	-24.67%	24,858	
Depreciation	0	0	233,052	229,360	-3,692	-1.58%	229,360	
Total Operating Expenses	4,659,358	4,677,803	5,716,307	5,031,955	-684,352	-11.97%	354,152	7.57%
Excess Revenue over Expenses	-259,132	-307,551	-266,628	-183,091	83,537	31.33%	124,460	40.47%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	53,119	505,102	131,750	71,684	-60,066	-45.59%	-433,418	-85.81%
Borrowing Proceeds	0	-375,000	0	0	0		375,000	100.00%
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-233,052	-229,360	3,692	1.58%	-229,360	
Total Cash Items	53,119	130,102	-101,302	-157,676	-56,374	-55.65%	-287,778	-221.19%
Net Cash Basis Budget	-312,251	-437,653	-165,326	-25,415	139,911	84.63%	412,238	94.19%

ANTIOCH SOUTHERN CALIFORNIA

2002-03 Mid-Year Performance

Enrollments for Southern California have come in above projections for both campuses for the summer and fall quarters. Early winter enrollments are on track to exceed projections as well. (The Winter quarter numbers will not be final until after the end of the add/drop period on January 18.) While it is too early to project spring, we are confident that we will meet our targets, assuming there is no major earthquake, brush fire or tidal wave to hit in southern California.

Revenues: Our total revenue picture is positive. The year-to-date numbers exceed budget due to higher enrollments.

In terms of operating challenges, most of the open positions at the Los Angeles campus have been filled. We still have two vacant positions in admissions and one in facilities. In Santa Barbara we've made a critical hire, a new Director of Admissions who comes with experience. However, we are losing a long-time SB employee - the Director of Financial Aid and the Executive Dean for the campus. Regionally, we are in the process of restoring our Development Office and are searching for a Director of University Relations. And, of course we have the vacant position of President to be filled.

Our biggest challenge is filling faculty positions regionally -- we have two in MAOM, one in BA, one in MAETC, and a chair in MFA. The salary schedule is not attractive. We're trying to help on this front by having a faculty workgroup review the current salary placement index. Their recommendation will be submitted to the President in early January. While their recommendations on the criteria will help increase salaries somewhat, the overall schedule is about 5 years out of date.

In the area of Development, we have hired an independent contractor to work on fundraising (which included a holiday fund drive), development for our Community Humanities and Education Program (CHE), resurrecting our newsletter and assisting in some alumni activities. We will be hiring an administrative associate this quarter to work in the Development Office, the first full-time employee working in that office in over a year. A temp has cleaned and updated the regional alumni database.

We have received a \$20,000 grant from the Mark Taper Foundation to be spent on Development activities to benefit CHE as well as a few smaller grants.

Expenses: Our total expenses are also well within budget. The following variances are noteworthy (all positive):

- Salaries and wages are lower due to vacancies through the year.
- Benefits are lower due to lower salaries and lower medical costs.
- Training is lower as the search costs for president have not been spent and due to lower travel.
- Business operations shows savings due to no newsletter being printed, lower legal and advertising to date.
- Plant maintenance is lower due to lower expenses on rent in SB to date.

The overall budget picture is positive and we anticipate ending the year with a balanced budget and a small surplus.

The focus away from financial exigencies is welcome as we grapple with two major challenges - the search for a new president who will start in September 2003 and planning for the relocation of the LA campus in March 2004.

Chloe Reid
Interim President

Antioch Southern California

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual -----	Dec 31, 2001 Actual -----	2002-03 Budget -----	Dec 31, 2002 Actual -----	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	6,867,051	7,490,645	8,124,817	8,488,378	363,561	4.47%	997,733	13.32%
Less Tuition Discounts	-118,966	-57,550	-65,200	-46,299	18,901	28.99%	11,251	19.55%
Net Tuition and Fees	6,748,085	7,433,095	8,059,617	8,442,079	382,462	4.75%	1,008,984	13.57%
Gifts	4,190	30,790	20,004	5,647	-14,357	-71.77%	-25,143	-81.66%
Lead Gifts	0	0	0	0	0		0	
Grants	87,997	76,044	171,164	86,482	-84,682	-49.47%	10,438	13.73%
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Other Income	7,749	15,060	7,404	37,819	30,415	410.79%	22,759	151.12%
Realized Gains	897	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	6,848,918	7,554,989	8,258,189	8,572,027	313,838	3.80%	1,017,038	13.46%
Auxiliary Enterprises	101,129	111,671	115,002	95,944	-19,058	-16.57%	-15,727	-14.08%
Released From Restrictions	86,141	48,312	150,182	78,062	-72,120	-48.02%	29,750	61.58%
Total Revenues	7,036,188	7,714,972	8,523,373	8,746,033	222,660	2.61%	1,031,061	13.36%
Operating Expenses								
Instruction	1,797,772	1,942,183	2,340,978	2,042,333	-298,645	-12.76%	100,150	5.16%
Research	8,600	0	0	0	0		0	
Public Service	53,801	83,532	117,805	102,214	-15,591	-13.23%	18,682	22.37%
Academic Support	381,651	371,341	395,371	314,784	-80,587	-20.38%	-56,557	-15.23%
Student Services	694,044	562,045	621,861	519,468	-102,393	-16.47%	-42,577	-7.58%
Institutional Support	1,565,785	1,548,524	1,638,953	1,320,636	-318,317	-19.42%	-227,888	-14.72%
Plant Maintenance	783,085	785,190	842,767	869,140	26,373	3.13%	83,950	10.69%
Scholarships	91,681	83,077	130,614	83,358	-47,256	-36.18%	281	0.34%
Total E&G Expenses	5,376,419	5,375,892	6,088,349	5,251,933	-836,416	-13.74%	-123,959	-2.31%
Auxiliary Enterprises	111,592	98,289	111,994	128,004	16,010	14.30%	29,715	30.23%
Total Operating Expenses	5,488,011	5,474,181	6,200,343	5,379,937	-820,406	-13.23%	-94,244	-1.72%
Excess Revenue over Expenses	1,548,177	2,240,791	2,323,030	3,366,096	1,043,066	44.90%	1,125,305	50.22%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	21,317	32,918	2,478	13,730	11,252	454.08%	-19,188	-58.29%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	12,559	0	13,490	13,490		931	7.41%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-50,291	-62,971	-12,680	-25.21%	-62,971	
Total Cash Items	21,317	45,477	-47,813	-35,751	12,062	25.23%	-81,228	-178.61%
Net Cash Basis Budget	1,526,860	2,195,314	2,370,843	3,401,847	1,031,004	43.49%	1,206,533	54.96%

Antioch Southern California
December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	7,036,188	7,714,972	8,523,373	8,746,033	222,660	2.61%	1,031,061	13.36%
Operating Expenses								
Salaries & Wages	2,433,433	2,548,569	2,755,403	2,620,871	-134,532	-4.88%	72,302	2.84%
Benefits	557,077	643,822	881,174	677,960	-203,214	-23.06%	34,138	5.30%
Training & Development	82,358	71,070	180,089	86,547	-93,542	-51.94%	15,477	21.78%
Student Aid Services	34,850	36,587	33,970	30,544	-3,426	-10.09%	-6,043	-16.52%
Special Events	14,184	10,335	11,654	1,320	-10,334	-88.67%	-9,015	-87.23%
Supplies	125,147	103,486	125,806	112,260	-13,546	-10.77%	8,774	8.48%
Business Operations	669,933	405,118	641,752	442,530	-199,222	-31.04%	37,412	9.23%
Plant Maintenance	762,858	757,990	751,962	779,660	27,698	3.68%	21,670	2.86%
Interest Expense	10,089	16,165	24,830	28,366	3,536	14.24%	12,201	75.48%
Resale Costs	86,878	78,243	90,254	109,148	18,894	20.93%	30,905	39.50%
Miscellaneous	1,435	22,291	11,836	2,563	-9,273	-78.35%	-19,728	-88.50%
Contingency/Reserves					0			
Campus Contingency, Mandatory	177,430	199,606	116,543	0	-116,543	-100.00%	-199,606	-100.00%
Campus Program Contingency, Discretionary	0		91,602	0	-91,602	-100.00%	0	
Liquidity Reserve	110,894	124,754	0	0	0		-124,754	-100.00%
Overhead					0			
To the University	609,916	686,152	421,838	420,830	-1,008	-0.24%	-265,322	-38.67%
Rebates from the University	-220,392	-259,494	0	0	0		259,494	100.00%
Subsidy from Adult Campuses	27,600	29,400	0	0	0		-29,400	-100.00%
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	4,321	87	11,339	4,367	-6,972	-61.49%	4,280	4919.54%
Depreciation	0	0	50,291	62,971	12,680	25.21%	62,971	
Total Operating Expenses	5,488,011	5,474,181	6,200,343	5,379,937	-820,406	-13.23%	-94,244	-1.72%
Excess Revenue over Expenses	1,548,177	2,240,791	2,323,030	3,366,096	1,043,066	44.90%	1,125,305	50.22%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	21,317	32,918	2,478	13,730	11,252	454.08%	-19,188	-58.29%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	12,559	0	13,490	13,490		931	7.41%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-50,291	-62,971	-12,680	-25.21%	-62,971	
Total Cash Items	21,317	45,477	-47,813	-35,751	12,062	25.23%	-81,228	-178.61%
Net Cash Basis Budget	1,526,860	2,195,314	2,370,843	3,401,847	1,031,004	43.49%	1,206,533	54.96%

ANTIOCH UNIVERSITY MCGREGOR

2002-03 Mid-Year Performance

Enrollment:

Antioch University McGregor is enjoying another successful quarter, overall. The attached budget sheets do not reflect our winter enrollment, but the following is a summary to date.

The undergraduate program is 14FTE over budget as of January 8. Our education offerings are substantially over budget. This is, in part, due to taking more students and an extra M.Ed. cohort in the fall. Additionally, we took 5-6 new M.Ed. students who are not in the budget. Conflict Resolution is slightly over budget. Individualized Liberal and Professional Studies is right at budget.

The disappointing news is that we did not engage enough prospective students to run a winter cohort for the Graduate Management Program. The institution is contracting with a local marketing research firm to determine the possible causes for the decrease in inquiries and to study overall the best format and delivery system to effectively compete with area institutions offering MBA degrees.

The Community College Management program is starting late but has good long-term promise. We have formed a contractual relationship with Dr. Terry O'Banion, former head of the League for Innovation in the Community College to serve as Distinguished Scholar "in Residence." Dr. O'Banion is the leading person in community colleges in the country and a few years ago was named one of the top five most influential people in higher education.

We have several important initiatives underway to stabilize our good financial situation and plan for the future of McGregor. They include:

1. Plans to hire a consultant to help our faculty and academic leaders develop an academic plan. This plan will include organizational reengineering, as we have a long history of departmental "silos." I have tried for a few years to get the academic directors to do this type of planning themselves, but they feel they are too close to the situation. I am actually grateful we have consensus to bring in an expert from the outside.

2. We are beginning a strategic planning process with a retreat January 22, headed by a distinguished and affordable leader – Chancellor Jim Craiglow.
3. If the market research for Graduate Management is successful, we will do more in other areas.
4. As part of the strategic planning process, we are bringing in a consultant on culture and change management.

Facilities:

McGregor is basically out of space for classrooms and offices. We are studying ways to upgrade the Sontag Fels Building for office space. Classroom space and quality remain problems. For those classrooms dedicated to McGregor in the Kettering Building, we will do some renovation and add technology tools this year, as possible. Our infrastructure dilemma is growing, however.

Development:

Other sources of funding beyond tuition include Development. Below is a mid-year update.

1. The annual fund has raised \$25,000 in gifts and pledges to date with \$13,348 recorded at December 31. We are ahead of last year by \$8,000 as we push to grow the campaign to \$40,000 this year, an increase of approximately 25% over 2001-02.
2. We will present a second annual fund-raising special event, the *2003 Executive Spelling Bee*, on April 29 at the Loft Theatre in Dayton. We have secured a \$2,500 sponsorship and are in discussion with a few businesses for the \$5,000 sponsorship. In addition, we are currently in the process of recruiting 32 teams from area businesses.
3. In December, we launched the online Gift Center, www.mcgregor.edu/giftcenter/, making it easier for donors to contribute online.
4. In October, we submitted a \$20,000 funding proposal to the Levan Family Foundation to help fund a scholarship program at McGregor. We expect to be notified of the foundation's decision at the end of January 2003.
5. We continued communication with alumni and businesses through the *McGregorian Chant*, as well as through face-to-face meetings.

6. We may seek grant funding to enhance some Education program offerings.

Urgent Financial Dilemma:

What does it matter if we are financially successful if those programs that bring in the extra funds cannot use them in a planful way? We are in dire need of a way to self-fund program development. Are we to spend all our overage this year and not be encouraged to set aside program development/growth funds? Current policy says yes and precludes wise financial management. The Education Program, for example, has been encouraged to offer a cohort at Wright Patterson Air Force Base (rather brilliant advice from the Board of Visitors). To do so, seed funding is needed. The result would be a trained core of high level teachers who are nearing retirement from the military, but who could teach for many years. Many are science and math experts. This would be like a local “Troops to Teachers” bringing bright and experienced adults into classroom teaching positions. The local economic development possibilities are very attractive. The potential students at the Base can afford to enter this important but low-paying career as they will be receiving pensions. But we cannot afford to deliver this program without seed funding.

We also have a ready-made cohort in Cincinnati. Again, we will make money but we have no mechanism to allow us to set aside planning funds. I encourage the Board to work with the ULC to help remedy this dilemma. Our key pressures points are – faculty salaries, infrastructure, capacity, and program development. We stand ready to meet these challenges collaboratively with the Board.

Barbara Gellman-Danley
President

Antioch McGregor

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	2,286,937	2,184,810	2,384,652	2,708,385	323,733	13.58%	523,575	23.96%
Less Tuition Discounts	-25,143	-26,614	0	0	0		26,614	100.00%
Net Tuition and Fees	2,261,794	2,158,196	2,384,652	2,708,385	323,733	13.58%	550,189	25.49%
Gifts	1,432	6,779	40,002	13,348	-26,654	-66.63%	6,569	96.90%
Lead Gifts	0	0	0	0	0		0	
Grants	21,152	60,979	106,750	58,904	-47,846	-44.82%	-2,075	-3.40%
Endowment income	0	0	0	0	0		0	
Contracts	126,462	48,733	0	14,216	14,216		-34,517	-70.83%
Other Income	14,024	6,760	8,032	1,604	-6,428	-80.03%	-5,156	-76.27%
Realized Gains	4,934	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	2,429,798	2,281,447	2,539,436	2,796,457	257,021	10.12%	515,010	22.57%
Auxiliary Enterprises	10,650	0	0	0	0		0	
Released From Restrictions	4,911	0	0	-11,324	-11,324		-11,324	
Total Revenues	2,445,359	2,281,447	2,539,436	2,785,133	245,697	9.68%	503,686	22.08%
Operating Expenses								
Instruction	996,809	1,113,957	1,555,262	1,353,745	-201,517	-12.96%	239,788	21.53%
Research	0	0	0	0	0		0	
Public Service	64,441	0	0	0	0		0	
Academic Support	69,109	46,818	10,002	19,719	9,717	97.15%	-27,099	-57.88%
Student Services	351,046	286,144	403,909	405,529	1,620	0.40%	119,385	41.72%
Institutional Support	1,085,494	851,328	803,518	707,003	-96,515	-12.01%	-144,325	-16.95%
Plant Maintenance	54,107	49,529	142,808	161,639	18,831	13.19%	112,110	226.35%
Scholarships	5,251	6,033	6,750	9,197	2,447	36.25%	3,164	52.44%
Total E&G Expenses	2,626,257	2,353,809	2,922,249	2,656,832	-265,417	-9.08%	303,023	12.87%
Auxiliary Enterprises	5,000	0	0	0	0		0	
Total Operating Expenses	2,631,257	2,353,809	2,922,249	2,656,832	-265,417	-9.08%	303,023	12.87%
Excess Revenue over Expenses	-185,898	-72,362	-382,813	128,301	511,114	133.52%	200,663	277.30%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	133,575	9,942	63,550	161,261	97,711	153.75%	151,319	1522.02%
Borrowing Proceeds	-125,061	-9,942	0	0	0		9,942	100.00%
Principal Payments	0	16,818	18,495	18,445	-50	-0.27%	1,627	9.67%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-78,416	-97,250	-18,834	-24.02%	-97,250	
Total Cash Items	8,514	16,818	3,629	82,456	78,827	2172.14%	65,638	390.28%
Net Cash Basis Budget	-194,412	-89,180	-386,442	45,845	432,287	111.86%	135,025	151.41%

Antioch McGregor

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	2,445,359	2,281,447	2,539,436	2,785,133	245,697	9.68%	503,686	22.08%
Operating Expenses								
Salaries & Wages	1,255,440	1,276,230	1,494,087	1,399,570	-94,517	-6.33%	123,340	9.66%
Benefits	357,457	377,321	437,906	437,148	-758	-0.17%	59,827	15.86%
Training & Development	28,299	20,131	62,679	38,888	-23,791	-37.96%	18,757	93.17%
Student Aid Services	14,296	35,145	124,300	66,776	-57,524	-46.28%	31,631	90.00%
Special Events	40,046	11,169	15,933	11,644	-4,289	-26.92%	475	4.25%
Supplies	35,502	14,881	38,268	36,799	-1,469	-3.84%	21,918	147.29%
Business Operations	281,872	187,739	342,930	274,645	-68,285	-19.91%	86,906	46.29%
Plant Maintenance	56,479	52,633	29,176	15,902	-13,274	-45.50%	-36,731	-69.79%
Interest Expense	17,177	10,082	10,876	8,696	-2,180	-20.04%	-1,386	-13.75%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	5,404	2,343	4,005	3,344	-661	-16.50%	1,001	42.72%
Contingency/Reserves								
Campus Contingency, Mandatory	93,761	69,318	13,248	0	-13,248	-100.00%	-69,318	-100.00%
Campus Program Contingency, Discretionary		0	0	0	0		0	
Liquidity Reserve	58,601	43,324	0	0	0		-43,324	-100.00%
Overhead								
To the University	319,354	238,283	206,033	206,031	-2	0.00%	-32,252	-13.54%
Rebates from the University	-116,129	-90,114	0	0	0		90,114	100.00%
Subsidy from Adult Campuses	17,100	16,702	0	0	0		-16,702	-100.00%
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	166,598	88,622	64,392	60,139	-4,253	-6.60%	-28,483	-32.14%
Depreciation	0		78,416	97,250	18,834	24.02%	97,250	
Total Operating Expenses	2,631,257	2,353,809	2,922,249	2,656,832	-265,417	-9.08%	303,023	12.87%
Excess Revenue over Expenses	-185,898	-72,362	-382,813	128,301	511,114	133.52%	200,663	277.30%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	133,575	9,942	63,550	161,261	97,711	153.75%	151,319	1522.02%
Borrowing Proceeds	-125,061	-9,942	0	0	0		9,942	100.00%
Principal Payments	0	16,818	18,495	18,445	-50	-0.27%	1,627	9.67%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-78,416	-97,250	-18,834	-24.02%	-97,250	
Total Cash Items	8,514	16,818	3,629	82,456	78,827	2172.14%	65,638	390.28%
Net Cash Basis Budget	-194,412	-89,180	-386,442	45,845	432,287	111.86%	135,025	151.41%

ANTIOCH UNIVERSITY ADMINISTRATION

2002-03 Mid-Year Performance

Much of the first half of 2002-03 has been occupied with the NCA Accreditation review. In October, a large team composed of members of various NCA member institutions arrived in Yellow Springs and began a comprehensive review of our programs. In addition, the team and participants from the western and eastern accrediting bodies paid visits to the other Antioch campuses. The Chancellor was significantly involved in preparing and responding to the NCA team, including representing the University in Yellow Springs and meeting with the regional team in New England. Although the chair of the accreditation team indicated that a preliminary report would be available to the University within a few weeks of the completion of their visit, no formal communication has been received as of this writing.

A local group in Yellow Springs concerned about program changes at WYSO has been aggressively attempting to reinstate programs that were removed from the broadcast schedule. While their initial focus was to restore programming, they have since expanded their aims to include the restructuring the governance of the station and have even called for the removal of the station manager. The Chancellor has met frequently with this group and has attempted to negotiate a resolution of the controversy, but these efforts have had only modest success.

Meeting with Southern California Los Angeles faculty to help guide the establishment of a process to identify and recruit a new president has been a time-consuming process. The Chancellor has made numerous trips to Southern California, but the preliminary work is now complete and announcements of the vacancy will appear in the Chronicle of Higher Education and regional publications. The national search is now officially started and a new president should be identified in time to join the campus by the fall of 2003.

Implementation of the Yellow Springs administrative consolidation continued during the fall. University Administration staff are directly involved in all aspects of the consolidation and much of their time has been focused on the consolidation. For example, the Controller is now chairing the College budget committee as well as working closely with McGregor staff in the development of their budgets. The Human Resources Director has been working to insure smooth consolidation of services and has worked closely with the McGregor team that negotiated a new union contract this fall. I have devoted

considerable time to the mold and bacteria remediation problems as well as the other physical plant needs of the College. I have also been involved with the acquisition of a new integrated e-mail/voice mail system for all of the Yellow Springs units.

A number of Yellow Springs-wide projects have produced beneficial results this fall. For the first time in many years, a telephone directory for all units in Yellow Springs was prepared and issued. A vending machine contract was bid and a new vendor selected who will provide better service and a greater return of revenue for the College, and a contract for copy machines was bid and the leased machines replaced with purchased machines at a great savings to the College.

Revenues and Expenses:

Virtually all of the revenue that supports operations of the University Administration is provided by the non-residential campuses. Operating expenses for 2002-03 are -\$54,830 below budget, primarily in the Salaries, Wages and Benefits area. Positions associated with the administrative consolidation were vacant at the beginning of the fiscal year and resulted in lower staff costs. In addition, travel costs are below budget as are supply costs. Both areas of reduced spending are the result of conscience efforts to limit expenses.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

University Administration

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000	Dec 31, 2001	2002-03	Dec 31, 2002	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
	Actual	Actual	Budget	Actual	\$	%	\$	%
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	0	0	0	0	0		0	
Gifts	15,578	9,914	9,000	0	-9,000	-100.00%	-9,914	-100.00%
Lead Gifts	0	0	0	0	0		0	
Grants	0	0	0	0	0		0	
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Other Income	0	0	0	0	0		0	
Realized Gains	0	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	15,578	9,914	9,000	0	-9,000	-100.00%	-9,914	-100.00%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	0	0	0	0	0		0	
Total Revenues	15,578	9,914	9,000	0	-9,000	-100.00%	-9,914	-100.00%
Net Overhead for Central Operations	987,299	908,736	931,554	892,003	-39,551	-4.25%	-95,296	-9.65%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	0	0	0	0	0		0	
Academic Support	0	0	0	0	0		0	
Student Services	57,328	48,689	49,290	47,945	-1,345	-2.73%	-744	-1.53%
Institutional Support	935,551	862,765	891,264	837,779	-53,485	-6.00%	-24,986	-2.90%
Plant Maintenance	0	0	0	0	0		0	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	992,879	911,454	940,554	885,724	-54,830	-5.83%	-25,730	-2.82%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	992,879	911,454	940,554	885,724	-54,830	-5.83%	-25,730	-2.82%
Excess Revenue over Expenses	9,998	7,196	0	6,279	6,279		-917	-12.74%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	9,998	7,196	0	6,279	6,279		-917	-12.74%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	0	0	0		0	
Total Cash Items	9,998	7,196	0	6,279	6,279		-917	-12.74%
Net Cash Basis Budget	0	0	0	0	0		0	

University Administration

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000	Dec 31, 2001	2002-03	Dec 31, 2002	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
	Actual	Actual	Budget	Actual	\$	%	\$	%
Revenues	1,002,877	918,650	940,554	892,003	-48,551	-5.16%	-26,647	-2.90%
Operating Expenses								
Salaries & Wages	536,685	502,274	482,768	465,609	-17,159	-3.55%	-36,665	-7.30%
Benefits	155,098	153,709	172,198	157,175	-15,023	-8.72%	3,466	2.25%
Training & Development	59,947	51,361	48,316	33,874	-14,442	-29.89%	-17,487	-34.05%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	5,653	5,653		5,653	
Supplies	13,563	12,959	22,650	17,198	-5,452	-24.07%	4,239	32.71%
Business Operations	84,695	54,602	59,874	60,830	956	1.60%	6,228	11.41%
Plant Maintenance	136,782	133,476	141,190	144,558	3,368	2.39%	11,082	8.30%
Interest Expense	4	282	150	0	-150	-100.00%	-282	-100.00%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	3,826	513	906	827	-79	-8.72%	314	61.21%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	12,502	0	-12,502	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	2,279	2,278	0	0	0		-2,278	-100.00%
Depreciation	0	0	0	0	0		0	
Total Operating Expenses	992,879	911,454	940,554	885,724	-54,830	-5.83%	-25,730	-2.82%
Excess Revenue over Expenses	9,998	7,196	0	6,279	6,279		-917	-12.74%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	9,998	7,196	0	6,279	6,279		-917	-12.74%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	0	0	0		0	
Total Cash Items	9,998	7,196	0	6,279	6,279		-917	-12.74%
Net Cash Basis Budget	0	0	0	0	0		0	

ANTIOCH REVIEW

2002-03 Mid-Year Performance

Our three major areas of revenue are: sales, gifts and endowment income. Sales are in line with projections and there has been an increase in electronic fees for library access. Gifts are exactly where they were last year (when you include a large end of year gift – not booked here – the total comes to \$19,500) and endowment income is below estimates by a quarter. A reminder letter to past donors will go out in January and we expect revenues from events in New York, Chicago and Los Angeles to add to the gift category. Having said all that, there will be a deficit at year-end unless some major gifts (\$5,000 plus) are forthcoming. Expenditures are in line with projections and we see no significant problem with maintaining a barebones budget. We are sorely in need of updated computer equipment to replace worn out machines.

On a positive note Sylvia Nasar, the author of A Beautiful Mind, has agreed to speak on behalf of the Review at a fund raiser in New York and a featured speaker at our last event in New York, Jeffrey Renard Allen, won a distinguished Whiting award recently given to “writers of exceptional talent and promise.” Another Whiting award winner was Elizabeth Arnold, who has a poem in our winter issue.

Robert Fogarty
Editor

Antioch Review

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	0	0	0	0	0		0	
Gifts	12,398	14,600	22,000	13,887	-8,113	-36.88%	-713	-4.88%
Lead Gifts	0	0	0	0	0		0	
Grants	0	3,084	2,993	2,993	0	0.00%	-91	-2.95%
Endowment Income	4,770	4,819	4,752	3,757	-995	-20.94%	-1,062	-22.04%
Contracts	0	0	0	0	0		0	
Other Income	4,897	3,643	3,600	7,517	3,917	108.81%	3,874	106.34%
Realized Gains	0	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	22,065	26,146	33,345	28,154	-5,191	-15.57%	2,008	7.68%
Auxiliary Enterprises	44,930	47,789	47,500	36,583	-10,917	-22.98%	-11,206	-23.45%
Released From Restrictions	0	0	0	0	0		0	
Total Revenues	66,995	73,935	80,845	64,737	-16,108	-19.92%	-9,198	-12.44%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	63,953	70,534	69,318	71,656	2,338	3.37%	1,122	1.59%
Academic Support	0	0	0	0	0		0	
Student Services	0	0	0	0	0		0	
Institutional Support	0	0	0	0	0		0	
Plant Maintenance	0	0	0	0	0		0	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	63,953	70,534	69,318	71,656	2,338	3.37%	1,122	1.59%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	63,953	70,534	69,318	71,656	2,338	3.37%	1,122	1.59%
Excess Revenue over Expenses	3,042	3,401	11,527	-6,919	-18,446	-160.02%	-10,320	-303.44%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	0	0		0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	0	0	0		0	
Total Cash Items	0	0	0	0	0		0	
Net Cash Basis Budget	3,042	3,401	11,527	-6,919	-18,446	-160.02%	-10,320	-303.44%

Antioch Review

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	66,995	73,935	80,845	64,737	-16,108	-19.92%	-9,198	-12.44%
Operating Expenses								
Salaries & Wages	25,090	25,947	25,652	26,527	875	3.41%	580	2.24%
Benefits	12,113	13,355	14,546	14,417	-129	-0.89%	1,062	7.95%
Training & Development	0	0	0	402	402		402	
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	223	172	267	99	-168	-62.92%	-73	-42.44%
Business Operations	25,621	31,060	28,853	30,211	1,358	4.71%	-849	-2.73%
Plant Maintenance	0	0	0	0	0		0	
Interest Expense	0	0	0	0	0		0	
Resale Costs	0	0	0	0	0		0	
Miscellaneous	0	0	0	0	0		0	
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	906	0	0	0	0		0	
Depreciation	0	0	0	0	0		0	
Total Operating Expenses	63,953	70,534	69,318	71,656	2,338	3.37%	1,122	1.59%
Excess Revenue over Expenses	3,042	3,401	11,527	-6,919	-18,446	-160.02%	-10,320	-303.44%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	0	0		0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	0	0	0		0	
Total Cash Items	0	0	0	0	0		0	
Net Cash Basis Budget	3,042	3,401	11,527	-6,919	-18,446	-160.02%	-10,320	-303.44%

Ph.D. in LEADERSHIP AND CHANGE

2002-03 Mid-Year Performance

As of January 2003, the Ph.D. in Leadership and Change is in a good position to complete the year on target, and possibly even have a small surplus. Let me explain.

Income

Tuition income remains slightly over projection, as we continue to hold on to two students over enrollment projection, with a total of 38 FTE students (instead of 36). As of the writing of this report, we have had no attrition this year, although I still believe this is possible. Thus, at year-end we should have an additional \$33,000 (2 students @ \$16,500) above our tuition income projection.

We have just received the first payment (\$18,000) of a year-long \$90,000 grant from the Central Pennsylvania Forum for the Future. This grant is being run through the program's Leadership Institute (our newly created outreach arm). In the case of this contract, we are convening a series of meetings with six colleges and other stakeholders in order to develop an action plan for youth leadership development in the heartland. Faculty member Richard Couto is the director of this project. While the majority of the funds cover project operations, we have included an 8% overhead (\$6,000) to the university/program.

Expenses

Spending as of the end of December is on target. In the first six months, the program has spent a total of \$299,786 (approximately \$50,000 a month). We are learning about the flow of expenses in the program: for example, July-August are more expensive months because of the year's start-up, and the major week-long summer residency. We spent approximately \$55,000 each of those two months, whereas December expenditures totaled \$43,000. Our estimates of projected expenses seem to have been fairly accurate in most cases. We have spent slightly over projection in business travel and technology support (covering some development costs), for example, but slightly less on advertising and postage. I believe that the end result will be overall expenses close to or slightly under overall projections.

Important Updates:

- Dr. Jon Wergin, a nationally recognized leader in higher education reform (recently featured in *The Chronicle of Higher Education*) and currently full professor of adult education at Virginia Commonwealth University, will be joining the Ph.D. in Leadership & Change as full professor in July 2003.
- A national search is underway for a senior faculty in organizational change to begin in Summer/Fall 2003. The Search Committee is currently reviewing the 50 applications, with final cut interviews to be held in March/April.
- As of this writing (1/8), we have 16 student applications for the next 25-student cohort, which begins Summer 2003. Priority deadline is February 14. Since this is the program's first 'normal' year of operations, I do not have comparison data as to the pace of applications at this time last year. However, inquiries per week have definitely increased. I believe we are in good shape, but will know more by the February Board meeting.
- We have converted the program's website (www.phd.antioch.edu) to an entirely FirstClass-based set-up. While there were one-time conversion costs to pay, we are now able to change and update any page of the website with the ease of sending an email. There is virtually no need for a 'webmaster' and all information can be made up-to-the-minute current and accurate on a regular basis.

Laurien Alexandre
Director

PhD in Leadership and Change
December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees		131,325	596,130	617,650	21,520	3.61%	486,325	370.32%
Less Tuition Discounts		-8,000	-5,500	-5,500	0		2,500	31.25%
Net Tuition and Fees		123,325	590,630	612,150	21,520	3.64%	488,825	396.37%
Gifts		0	0	0	0		0	
Lead Gifts		0	0	0	0		0	
Grants		0	0	0	0		0	
Endowment income		0	0	0	0		0	
Contracts		0	0	0	0		0	
Other Income		0	0	642	642		642	
Realized Gains		0	0	0	0		0	
Unrealized Gains		0	0	0	0		0	
Total E&G Revenue		123,325	590,630	612,792	22,162	3.75%	489,467	396.89%
Auxiliary Enterprises		0	0	0	0		0	
Released From Restrictions		0	0	0	0		0	
Total Revenues		123,325	590,630	612,792	22,162	3.75%	489,467	396.89%
Operating Expenses							0	
Instruction		53	294,934	278,228	-16,706	-5.66%	278,175	524858.49%
Research		0	0	0	0		0	
Public Service		0	0	0	0		0	
Academic Support		0	0	0	0		0	
Student Services		0	0	0	0		0	
Institutional Support		0	0	0	0		0	
Plant Maintenance		0	1,482	1,718	236	15.92%	1,718	
Scholarships		0	0	0	0		0	
Total E&G Expenses		53	296,416	279,946	-16,470	-5.56%	279,893	528100.00%
Auxiliary Enterprises		0	0	0	0		0	
Total Operating Expenses		53	296,416	279,946	-16,470	-5.56%	279,893	528100.00%
Excess Revenue over Expenses		123,272	294,214	332,846	38,632	13.13%	209,574	170.01%
Annual Budget Conversion to Cash Basis								
Capital Expenditures		0	0	0	0		0	
Borrowing Proceeds		0	0	0	0		0	
Principal Payments		0	0	0	0		0	
Prior Year Reserves		0	0	0	0		0	
Add back Depreciation		0	-1,482	-1,718	-236	-15.92%	-1,718	
Total Cash Items		0	-1,482	-1,718	-236	-15.92%	-1,718	
Net Cash Basis Budget		123,272	295,696	334,564	38,868	13.14%	211,292	171.40%

PhD in Leadership and Change
December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues		123,325	590,630	612,792	22,162	3.75%	489,467	396.89%
Operating Expenses								
Salaries & Wages		0	151,050	146,131	-4,919	-3.26%	146,131	
Benefits		0	53,765	47,592	-6,173	-11.48%	47,592	
Training & Development		0	35,256	33,521	-1,735	-4.92%	33,521	
Student Aid Services		0	0	0	0		0	
Special Events		0	0	0	0		0	
Supplies		0	2,349	2,779	430	18.31%	2,779	
Business Operations		0	48,010	37,138	-10,872	-22.65%	37,138	
Plant Maintenance		0	1,002	5,735	4,733	472.36%	5,735	
Interest Expense		53	502	290	-212	-42.23%	237	447.17%
Resale Costs		0	0	0	0		0	
Miscellaneous		0	0	792	792		792	
Contingency/Reserves								
Campus Contingency, Mandatory		0	0	0	0		0	
Campus Program Contingency, Discretionary		0	0	0	0		0	
Liquidity Reserve		0	0	0	0		0	
Overhead								
To the University		0	0	0	0		0	
Rebates from the University		0	0	0	0		0	
Subsidy from Adult Campuses		0	0	0	0		0	
Subsidy from Overhead		0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)		0	3,000	4,250	1,250	41.67%	4,250	
Depreciation		0	1,482	1,718	236	15.92%	1,718	
Total Operating Expenses		53	296,416	279,946	-16,470	-5.56%	279,893	528100.00%
Excess Revenue over Expenses		123,272	294,214	332,846	38,632	13.13%	209,574	170.01%
Annual Budget Conversion to Cash Basis								
Capital Expenditures		0	0	0	0		0	
Borrowing Proceeds		0	0	0	0		0	
Principal Payments		0	0	0	0		0	
Prior Year Reserves		0	0	0	0		0	
Add Back Depreciation		0	-1,482	-1,718	-236	-15.92%	-1,718	
Total Cash Items		0	-1,482	-1,718	-236	-15.92%	-1,718	
Net Cash Basis Budget		123,272	295,696	334,564	38,868	13.14%	211,292	171.40%

WYSO RADIO

2002-03 Mid-Year Performance

Midway through the fiscal year, WYSO Public Radio is running a deficit. Management and staff are working hard to address this situation. However, all acknowledge that the fundraising environment for not-for-profits nationwide has been significantly depressed for the past year, with some reports noting an aggregate decline in revenues of well over 20 percent. The public radio system's experience is running parallel with that of other non-profit fundraising. The troubled economy, coupled with significant uncertainty about prospects for its return to stability, is clearly at the core of this situation.

In the August 5, 2002 edition of Current, the biweekly newspaper about public broadcasting, an article addressed the emerging trends:

Public radio fundraisers heard troubling news at last month's Public Radio Development/Marketing Conference: after an unprecedented six-year growth spurt when pubradio net revenues per listener-hour grew by nearly 30 percent, that trend reversed itself. The figure dropped 12 percent in fiscal years 2000 and 2001, reported Tom Thomas, Co-CEO of the Station Resource Group.

The station consultant blamed two emerging trends for the downward dip: fundraising costs are growing faster than the revenues they produce, and gross revenues per listener are falling.

Between 1994 and 1999, the opposite was true. Fundraising costs were rising but not as fast as the proceeds that poured into stations, and more listeners were donating more as they consumed greater amounts of public radio.

Not surprisingly, the...drop...over two years coincides with the dot-com bust and ensuing recession, Thomas said. Listeners are more reluctant to give when times are tight.

The sobering decline appears to fly in the face of pubradio's more familiar good news.

It's true that more people are listening to – and giving to – public radio than ever before. But despite that, public radio failed to cajole from its audience as many dollars per listener-hour as in the past. One reason, Thomas says, is the “membership lag,” in which listeners who discover public radio often wait a few years before they start to contribute.

Later in the same article:

Development consultants Helen Kennedy and Jim Lewis elaborated on Thomas's remarks in their annual State of the System report...

While overall giving increased by nearly \$17 million in fiscal 2000 and 2001 for select stations, most of the gain, \$10 million, was in the first year. And while the audience grew as well, the system experienced slower growth in average gifts and gifts per member.

Stations saw no growth in additional gifts and major giving renewals were down and upgrade rates declined...

When additional gifts are the first thing to go down, Kennedy said, it's a surefire sign that the economy is in trouble.

The trends cited in this article have only intensified in the past several months as key economic indicators show no signs of the economy improving anytime in the near future.

Nevertheless, it should be noted that WYSO has never been better positioned to overcome its current financial situation.

In terms of audience, WYSO's average weekly listenership continues to be at an all-time high. More importantly, by focusing the broadcast schedule on programming that is of high value to the Miami Valley community, the two most critical indicators of radio station success have posted the most dramatic gains the station has ever seen. These indicators are the audience measurements of AQH (average quarter hour) and TSL (time spent listening). Insofar as public radio fundraising is concerned, when these two measures rise, stations witness a rise in “listener loyalty.” In other words, if a station attracts more AQH listeners and gives these listeners a reason to stick around, it decreases audience turnover and, thereby, increases the average TSL. Thus, more committed listening equals intensified loyalty. Loyalty, in this regard, is not a concept or a feeling, but rather a direct measure of how much a listener is using a given station's services. Higher loyalty sustained over time directly relates to increased fundraising

With WYSO's AQH and TSL at all-time highs, its fundraising opportunities are also rising. However, the several difficulties cited in the article quoted above are hurdles that must be overcome.

One hurdle is the "membership lag" factor, to which Tom Thomas referred. New listeners and even existing listeners who now find themselves listening longer hours do not immediately start contributing (or, among current members, contributing at higher levels). In good economic times or bad, the public radio system experience is that it takes a couple of years of sustained, reliable programming for a given station to translate an increase in listener loyalty into an increase in revenue.

And here is where WYSO finds itself in a bit of a Catch-22. WYSO has been and is experiencing the same fundraising difficulties being experienced across the public radio system. However, certain reductions in expenditures would likely reduce productivity, as well as impact service to listeners. If listenership patterns return to "case study" lows, listener loyalty declines. Then the station is less capable of growing out of its current financial situation.

All of this said, WYSO is taking several steps to reduce costs and raise additional revenues:

- Plans are underway to conduct an extended Spring 2003 On-Air Membership Campaign. Over the past several years WYSO's two major seasonal campaigns have run 9-10 days. The upcoming campaign may run as many as 14 days. This may be a bit problematic as there can be some negative repercussions to taking up too much airtime for fundraising. However, the times and circumstances offer little choice. More listeners with the means to do so must be encouraged and convinced that without their support, services cannot be sustained.
- As has been the case for several of the past few years, WYSO will conduct an end-of-fiscal year on-air campaign. This, too, may be lengthened to, perhaps, 5-6 days (as opposed to those that have run 3-4 days).
- Direct mail appeals will continue to make use of the industry's best practices to optimize returns.
- Management has received a commitment from the WYSO Resource Board's chairman that he will provide necessary leadership to help the station establish a major donors circle. It is hoped that WYSO will be able to

generate some significant revenues from this effort even before the close of the current fiscal year.

- The station's News Director position will remain vacant for the current quarter, at least. The savings on salary and benefits will ease budgetary pressures, however, it is unclear at this writing whether audiences perceive any significant reduction in service and, thereby, impact listening patterns, loyalty, etc. Should this be the case, savings may be somewhat illusory as fundraising opportunities are reduced due to the impact on the broadcast product.
- The station's Chief Engineer has recently accepted a position with a radio group in Cincinnati and will soon vacate his part-time assignment at WYSO. The station moved from having a contract engineer to making this a staff position a little over a year ago because of the station's increased engineering needs as a result of broadcasting's ongoing transition to fully digital operations. Much has been accomplished in having a staff engineer and management is reasonably satisfied that WYSO can, at least for a time, function again with a contract engineer. There will be a savings witnessed on the salary and benefits currently being spent on this position.
- Management is attempting to identify "capacity building" grant funds that can help to support ongoing operations.
- I also serve as the current President of Ohio Public Radio (OPR). In this role, I have made it a priority with my colleagues that the state's public radio stations formally adopt a statewide underwriting plan. The concept of these statewide programs is that there are statewide and regional businesses and industries that would benefit from underwriting public radio programming and stations. However, in a given state, these firms are disinclined to do this if it requires them to have to work with 10, 15, or 20 different stations, each with its own guidelines and policies. A statewide underwriting plan allows all stations in a state to have a single, unified policy so as to facilitate these underwriting opportunities. In the past year, the public radio stations of North Carolina and Florida have raised an average of \$1.5M each because of their willingness to collaborate. The OPR stations have little doubt that similar opportunities exist in this region of the country, so long as an acceptable agreement can be forged and implemented. At this writing, the plan is almost complete and OPR expects to adopt it before the end of this quarter. While revenues will not flow immediately thereafter, the prospects for revenue growth for all participating stations is expected to be significant within the next 18 months and beyond.

- Opportunities for creative alliances/partnerships will be explored. A decade ago, WYSO and WDPR engaged in the "Twin Signals Project," a joint, major capital campaign to raise the funds necessary for WYSO to upgrade its transmission capacity from 11,000 to 37,000 watts and WDPR to establish a secondary transmission facility in Greenville, OH. Since this time, the two stations have maintained a cordial and collaborative relationship (e.g., the stations continue to abide by an informal arrangement not to present duplicative programming). Since Twin Signals, WYSO and WDPR have, from time to time, discussed options for combining some operations as a way of creating efficiencies, while remaining separately licensed stations. Ever since public broadcasting's federal funding crisis of the mid-1990's, the Corporation for Public Broadcasting (CPB) has been encouraging stations to explore such arrangements as the cost savings can only benefit the overall growth of service and opportunities for self-sufficiency. When economic conditions were strong and new competitive pressures were a little over the time horizon, many stations did not feel as compelled to vigorously pursue collaborative arrangements. As circumstances have changed dramatically, there is now renewed interest in these opportunities.

WYSO's Fall 2002 On-Air Membership Campaign set an overall fundraising goal of \$160,000 (\$10,000 more than the Fall 2001 goal). The final tally was \$160,150 – \$75,620 through telephone pledges, \$53,179 through direct mail, \$15,130 via Internet pledges, and \$16,221 in challenge funds. WYSO had the experience of many public radio stations throughout the nation this past fall in that it reached its goal, but only just. Other stations fell short of their goals (a notable example is WBEZ, Chicago Public Radio, which fell \$700,000 short).

The station's overall membership goal for the fiscal year is \$450,000. Actual dollars received as of December 31, 2002 was \$181,066, which constitutes slightly more than 40% towards goal.

Per usual, WYSO will receive additional revenues pledged during the fall campaign period by federal employees via the Combined Federal Campaign (CFC). That revenue figure will not be available until February or March 2003 and, thus, will be a part of the station's fiscal year 2002-03 report.

The underwriting goal for the fiscal year is \$250,000. As of December 31, 2002, total billable underwriting was \$144,617 or 58% towards goal, with actual receipts of \$81,807 or 33% towards goal.

Over the past few years, WYSO has had success in bringing in additional revenues via telemarketing to lapsed members of the station. However, the previous success rate has fallen precipitously for WYSO and stations nationwide ever since

a new law went into effect that requires telemarketers to specifically identify the ownership and location of the organization for which they are soliciting funds. There are a variety of analyses regarding how this mandatory verbiage is negatively impacting fundraising. Regardless, the fact is that it has placed yet another difficulty in the path of organizations already trying to cope with several other problems in raising revenues. There are efforts underway to encourage legislators to enact an exemption to this regulation for not-for-profits, but at this writing it is doubtful that such will occur anytime in the near future.

Steve Spencer
General Manager

WYSO-FM

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	0	0	0	0	0		0	
Gifts	162,274	211,408	220,000	152,981	-67,019	-30.46%	-58,427	-27.64%
Lead Gifts	0	0	0	0	0		0	
Grants	84,837	25,356	85,000	86,255	1,255	1.48%	60,899	240.18%
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Other Income	133,870	121,927	169,029	141,617	-27,412	-16.22%	19,690	16.15%
Realized Gains	0	0	0	0	0		0	
Unrealized Gains	0	0	0	0	0		0	
Total E&G Revenue	380,981	358,691	474,029	380,853	-93,176	-19.66%	22,162	6.18%
Auxiliary Enterprises	125	140	252	160	-92	-36.51%	20	14.29%
Released From Restrictions	0	0	0	0	0		0	
Total Revenues	381,106	358,831	474,281	381,013	-93,268	-19.67%	22,182	6.18%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	426,573	518,547	485,682	529,129	43,447	8.95%	10,582	2.04%
Academic Support	0	0	0	0	0		0	
Student Services	0	0	0	0	0		0	
Institutional Support	0	0	0	0	0		0	
Plant Maintenance	0	0	15,219	14,212	-1,007	-6.62%	14,212	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	426,573	518,547	500,901	543,341	42,440	8.47%	24,794	4.78%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	426,573	518,547	500,901	543,341	42,440	8.47%	24,794	4.78%
Excess Revenue over Expenses	-45,467	-159,716	-26,620	-162,328	-135,708	-509.80%	-2,612	-1.64%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	3,369	3,402	3,500	0	-3,500	-100.00%	-3,402	-100.00%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	10,096	7,581	7,584	7,582	-2	-0.03%	1	0.01%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	-15,219	-14,212	1,007	6.62%	-14,212	
Total Cash Items	13,465	10,983	-4,135	-6,630	-2,495	-60.34%	-17,613	-160.37%
Net Cash Basis Budget	-58,932	-170,699	-22,485	-155,698	-133,213	-592.45%	15,001	8.79%

WYSO-FM

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000	Dec 31, 2001	2002-03	Dec 31, 2002	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
	Actual	Actual	Budget	Actual	\$	%	\$	%
Revenues	381,106	358,831	474,281	381,013	-93,268	-19.67%	22,182	6.18%
Operating Expenses								
Salaries & Wages	130,333	159,760	150,949	179,498	28,549	18.91%	19,738	12.35%
Benefits	40,868	47,529	51,960	54,941	2,981	5.74%	7,412	15.59%
Training & Development	12,076	16,736	16,893	7,442	-9,451	-55.95%	-9,294	-55.53%
Student Aid Services	0	0	0	0	0		0	
Special Events	198	0	252	0	-252	-100.00%	0	
Supplies	8,652	9,103	5,428	1,949	-3,479	-64.09%	-7,154	-78.59%
Business Operations	203,603	237,244	233,556	248,492	14,936	6.40%	11,248	4.74%
Plant Maintenance	17,990	37,665	22,990	33,107	10,117	44.01%	-4,558	-12.10%
Interest Expense	8,323	4,904	2,402	3,649	1,247	51.92%	-1,255	-25.59%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	0	171	1,252	51	-1,201	-95.93%	-120	-70.18%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	4,530	5,435	0	0	0		-5,435	-100.00%
Depreciation	0	0	15,219	14,212	-1,007	-6.62%	14,212	
Total Operating Expenses	426,573	518,547	500,901	543,341	42,440	8.47%	24,794	4.78%
Excess Revenue over Expenses	-45,467	-159,716	-26,620	-162,328	-135,708	-509.80%	-2,612	-1.64%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	3,369	3,402	3,500	0	-3,500	-100.00%	-3,402	-100.00%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	10,096	7,581	7,584	7,582	-2	-0.03%	1	0.01%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	-15,219	-14,212	1,007	6.62%	-14,212	
Total Cash Items	13,465	10,983	-4,135	-6,630	-2,495	-60.34%	-17,613	-160.37%
Net Cash Basis Budget	-58,932	-170,699	-22,485	-155,698	-133,213	-592.45%	15,001	8.79%

University Wide

December 31, 2002 Actual Expenditure Summary by Function

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues								
Tuition & Fees	70	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	70	0	0	0	0		0	
Gifts	0	0	0	0	0		0	
Lead Gifts	0	0	0	0	0		0	
Grants	50,438	61,753	52,085	57,171	5,086	9.76%	-4,582	-7.42%
Endowment Income	-106,760	-117,676	88,460	-203,630	-292,090	-330.19%	-85,954	-73.04%
Contracts	0	0	0	0	0		0	
Other Income	189,127	153,201	80,589	137,434	56,845	70.54%	-15,767	-10.29%
Realized Gains	-235,762	-263,873	0	-2,305,956	-2,305,956		-2,042,083	-773.89%
Unrealized Gains	-651,951	-1,034,595	0	517,730	517,730		1,552,325	-150.04%
Total E&G Revenue	-754,838	-1,201,190	221,134	-1,797,251	-2,018,385	-912.74%	-596,061	-49.62%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	344,959	465,030	366,858	289,796	-77,062	-21.01%	-175,234	-37.68%
Total Revenues	-409,879	-736,160	587,992	-1,507,455	-2,095,447	-356.37%	-771,295	-104.77%
Net Overhead for Central Operations	343,791	287,485	168,448	177,050	8,602	5.11%	-166,741	-48.50%
Operating Expenses								
Instruction	4,066	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	0	0	0	0	0		0	
Academic Support	210,568	202,269	30,057	29,952	-105	-0.35%	-172,317	-85.19%
Student Services	0	0	0	0	0		0	
Institutional Support	488,016	576,834	622,937	576,867	-46,070	-7.40%	33	0.01%
Plant Maintenance	1,406,495	1,465,775	111,073	114,716	3,643	3.28%	-1,351,059	-92.17%
Scholarships	61,349	70,330	52,085	64,255	12,170	23.37%	-6,075	-8.64%
Total E&G Expenses	2,170,494	2,315,208	816,152	785,790	-30,362	-3.72%	-1,529,418	-66.06%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	2,170,494	2,315,208	816,152	785,790	-30,362	-3.72%	-1,529,418	-66.06%
Excess Revenue over Expenses	-2,236,582	-2,763,883	-59,712	-2,116,195	-2,056,483	-3444.00%	647,688	23.43%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	22,738	3,406	20,000	15,573	-4,427	-22.14%	12,167	357.22%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	59,546	62,062	62,060	62,061	1	0.00%	-1	0.00%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	-1,406,495	-1,465,775	-111,073	-114,716	-3,643	-3.28%	1,351,059	92.17%
Total Cash Items	-1,324,211	-1,400,307	-29,013	-37,082	-8,069	-27.81%	1,363,225	97.35%
Net Cash Basis Budget	-912,371	-1,363,576	-30,699	-2,079,113	-2,048,414	-6672.58%	-715,537	-52.48%

University Wide

December 31, 2002 Actual Expenditure Summary by Category

	Dec 31, 2000 Actual	Dec 31, 2001 Actual	2002-03 Budget	Dec 31, 2002 Actual	Change From 2002-03 Budget to 2002-03 Actual		Change From 2001 Actual to 2002 Actual	
					\$	%	\$	%
Revenues	-66,088	-448,675	756,440	-1,330,405	-2,086,845	-275.88%	-881,730	-196.52%
Operating Expenses								
Salaries & Wages	147,795	220,990	143,710	137,787	-5,923	-4.12%	-83,203	-37.65%
Benefits	35,438	60,307	40,153	39,474	-679	-1.69%	-20,833	-34.54%
Training & Development	67,592	51,996	82,780	59,483	-23,297	-28.14%	7,487	14.40%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	9,860	2,461	1,859	11,253	9,394	505.33%	8,792	357.25%
Business Operations	251,724	247,102	295,819	243,028	-52,791	-17.85%	-4,074	-1.65%
Plant Maintenance	27,530	25,118	2,742	359	-2,383	-86.91%	-24,759	-98.57%
Interest Expense	109,457	97,532	49,831	66,947	17,116	34.35%	-30,585	-31.36%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	16,171	16,009	2,019	16,159	14,140	700.35%	150	0.94%
Contingency/Reserves								
Campus Contingency, Mandatory	19,082	26,218	1,752	0	-1,752	-100.00%	-26,218	-100.00%
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	10,831	14,199	0	0	0		-14,199	-100.00%
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	68,519	87,501	84,414	96,584	12,170	14.42%	9,083	10.38%
Depreciation	1,406,495	1,465,775	111,073	114,716	3,643	3.28%	-1,351,059	-92.17%
Total Operating Expenses	2,170,494	2,315,208	816,152	785,790	-30,362	-3.72%	-1,529,418	-66.06%
Excess Revenue over Expenses	-2,236,582	-2,763,883	-59,712	-2,116,195	-2,056,483	-3444.00%	647,688	23.43%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	22,738	3,406	20,000	15,573	-4,427	-22.14%	12,167	357.22%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	59,546	62,062	62,060	62,061	1	0.00%	-1	0.00%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	-1,406,495	-1,465,775	-111,073	-114,716	-3,643	-3.28%	1,351,059	92.17%
Total Cash Items	-1,324,211	-1,400,307	-29,013	-37,082	-8,069	-27.81%	1,363,225	97.35%
Net Cash Basis Budget	-912,371	-1,363,576	-30,699	-2,079,113	-2,048,414	-6672.58%	-715,537	-52.48%

A/R AGING REPORT DECEMBER 31, 2002

UNIT/ STUDY PERIOD	AMOUNT BILLED	AMOUNT COLLECTED	AMOUNT OUTSTANDING	PERCENTAGE COLLECTED 12/31/02	PERCENTAGE COLLECTED 12/31/01
COLLEGE (inc AEA)					
2001/02 Year			\$111,729		
02 Summer	\$3,863,087	\$3,830,073	\$33,014	99.15%	97.83%
02 Fall	\$7,126,456	\$6,755,626	\$370,830	94.80%	94.10%
03 Spring					
Total College	\$10,989,543	\$10,585,699	\$515,573	96.33%	95.42%
SANTA BARBARA					
2001/02 Year			\$7,558		
02 Summer	\$846,891	\$840,129	\$6,762	99.20%	98.57%
02 Fall	\$1,123,952	\$1,071,981	\$51,971	95.38%	96.22%
03 Winter	\$1,111,697	\$289,737	\$821,960	26.06%	28.68%
03 Spring					
Total S.B.	\$3,082,540	\$2,201,847	\$888,251	71.43%	72.71%
LOS ANGELES					
2001/02 Year			\$6,358		
02 Summer	\$1,414,750	\$1,391,202	\$23,548	98.34%	99.21%
02 Fall	\$3,065,212	\$2,919,061	\$146,151	95.23%	95.00%
03 Winter	\$5,555,728	\$3,967,032	\$1,588,696	71.40%	85.02%
03 Spring					
Total L.A.	\$10,035,690	\$8,277,295	\$1,764,753	82.48%	93.07%
SEATTLE					
2001/02 Year			0		
02 Summer	1,754,026	1,754,026	0	100.00%	100.00%
02 Fall	2,188,114	2,141,678	46,436	97.88%	96.83%
03 Winter	2,370,617	430,410	1,940,207	18.16%	22.41%
03 Spring					
Total Seattle	\$6,312,757	\$4,326,114	\$1,986,643	68.53%	65.72%
NEW ENGLAND					
2001/02 Year			\$10,465		
02 Summer	\$1,672,485	\$1,671,660	\$825	99.95%	99.32%
02 Fall	\$3,927,321	\$3,898,669	\$28,652	99.27%	98.84%
03 Spring	\$3,471,365	\$1,063,322	\$2,408,043	30.63%	29.08%
Total NE	\$9,071,171	\$6,633,651	\$2,447,985	73.13%	71.92%
MCGREGOR					
2001/02 Year			\$320,315		
02 Summer	\$732,653	\$669,684	\$62,969	91.41%	85.51%
02 Fall	\$2,036,598	\$1,808,457	\$228,141	88.80%	90.00%
03 Winter					
03 Spring					
Total McG	\$2,769,251	\$2,478,141	\$611,425	89.49%	88.74%
PHD in LEADERSHIP & CHANGE					
2001/02 Year			\$0		
2002/03 Year	\$617,650	\$373,023	\$244,627	60.39%	8.74%
Total PhD	\$617,650	\$373,023	\$244,627	60.39%	8.74%
TOTAL UNIV	\$42,878,602	\$34,875,770	\$8,459,257	81.34%	82.03%

A/R AGING REPORT DECEMBER 31, 2002

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TOTAL UNIV	\$42,878,602	\$34,875,770	\$8,459,257	81.34%	82.03%

ANTIOCH UNIVERSITY
Status of Accounts Payable

As of December 31, 2002

Aged from Invoice Date

		Percent of Total	
		Dec 31 2002	Dec 31 2001
Current (0 to 30)	\$99,567.63	99.01%	31.60%
31-60 Days	190.78	0.19%	44.92%
61 to 90 Days	0.00	0.00%	21.29%
Over 90 Days	805.00	0.80%	2.19%
	\$100,563.41	100.00%	100.00%

COST CENTERS

INSTRUCTION:

Undergraduate
Heritage Institute
Preparatory-Remedial Education
Teacher Certification
Arts
Human Services
Computer Instruction
Cooperative Education
Environmental Field Program
Continuing Education
History, Philosophy & Religion
Physical Sciences
Languages, Literature & Culture
Environmental & Biological Sciences
Self, Society & Culture
Cultural & Interdisciplinary Studies
Social & Global Studies
AEA (Antioch Education Abroad)
MS Management
MA Psychology
MA Education
OSR
Whole System Design
MA Organizational Management
Dance/Movement Therapy
Counseling Psychology
Marriage and Family Therapy
Environmental Studies
Education
Organization & Management
Applied Psychology
Clinical Psychology
IMA
Weekend Program
Intercultural Relations

INSTRUCTION (Cont'd):

Conflict Resolution
Environment & Community
Fine Arts
PhD in Leadership & Change

RESEARCH:

Individual and Project Research

PUBLIC SERVICE:

Glen Helen
Antioch Review
WYSO
Counseling Centers

ACADEMIC SUPPORT:

Academic Administration
General Faculty
AEA Administration
Cross Cultural Program
Archives/Antiochiana
Library/Media Services
Psychological Services Center
Research and Evaluation
Writing Center
WSD Institute
Academic Computing

STUDENT SERVICES:

Financial Aid Administration
Student Admissions
Registrar (Student Records)
Student Services
Advocate's Office
Infirmary
Counseling

STUDENT SERVICES Cont'd:

Security
Student Loan Office
Community Government

INSTITUTIONAL SUPPORT:

Chancellor
Trustees
Provost/President
Fiscal Operations
Business Operations
General Administration
Central Services
Personnel
Alumni
Development/Advancement
Public Relations
Publications
Administrative Computer Service
University Administration

PLANT MAINTENANCE:

Maintenance
Custodial
Building & Grounds
Power Plant
Depreciation

SCHOLARSHIPS:

Grants & Scholarship

AUXILIARY ENTERPRISES:

Dining Services/ Gathering Space
Housing/Bookstore
Computer Sales
McGregor Conference Center

LINE ITEMS

SALARIES & WAGES: Compensation

Paid to Contracted Employees
Core Faculty
Associate Faculty
Adjunct Faculty
Administrators
Administrative Associate
Teaching Assistants
Unionized Staff
Non-Unionized Staff
Students
Retirees
Other Staff Employees
Student Vouchers
Student Stipends
Overseas Allowance

BENEFITS: Required and Non-Required

Benefits Paid
Medical/Dental Card
Dental
FICA
Worker's Comp
Unemployment
Life Insurance
Long & Short Term Disability
Retirement
Moving Expenses
Employee Tuition Waivers
Miscellaneous Benefits

TRAINING & DEVELOPMENT:

Non-Contracted Expenses for Trg &
Develop
Business Travel
Local Meetings/Workshops
Professional Development
Employee Recruiting
Program Development

STUDENT AID:

Restricted Grant Scholarships
Student Vouchers

SPECIAL EVENTS:

Graduation
Orientation
Miscellaneous Special Events

SUPPLIES:

Office Supplies
Instructional Supplies
Research Supplies
Duplicating Supplies
Computer Supplies
Computer Software
Maintenance Supplies
Furniture Supplies
Equipment Supplies
Library Supplies
Food Supplies
Miscellaneous Supplies

BUSINESS OPERATIONS COSTS:

General Cost of Doing Business
Subscriptions & Publications
Purchased Services
Consulting
Honoraria/Stipends
Information & Communications
Memberships & Dues
Printing
Postage/Freight
Audio/Visual
Advertising
Telecommunications
Internet & Leased Lines
Legal
Audit
Bad Debt Expense

PLANT MAINTENANCE COSTS:

Costs Related to Facilities
Maintenance Contracts & Repairs
Computer Maintenance
Purchased Services
Utilities
Vehicle Operation
Facility Rental
Equipment Rental
Insurance/Taxes

DEPRECIATION:

INTEREST EXPENSE:

Interest
Bank Charges (include credit card charges)

RESALE COSTS:

Books for Resale
Computers for Resale
Supplies for Resale

MISCELLANEOUS COSTS:

Miscellaneous
Student Activities
Student Insurance
Payments to Annuitants

CONTINGENCY/RESERVES:

Campus Contingency, Mandated
Campus Contingency, Discretionary
Liquidity Reserve

OVERHEAD COSTS:

Regional Overhead
University Overhead/Rebate
University Conference
College Fund
Operation Subsidy
Inter-Campus Agreements