ANTIOCH UNIVERSITY

REPORT TO THE BOARD OF TRUSTEES

1999-2000 YEAR END PROJECTION

2000-01 PROPOSED BUDGET

June 1-3, 2000

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I. INTRODUCTION

The 2000-01 Proposed Budget contains the spending plans developed by each of the Campuses and operating units for consideration and action by the Board of Trustees. The Proposed Budget for each Campus reflects a careful analysis of their future revenues and expenditures with appropriate adjustments for changes in enrollment and other demand factors. In nearly every case, program redirection and changing circumstances have necessitated adjustments in staffing and support cost levels. In some cases, the 1999-2000 experience dictated changes for 2000-01 in order to comply with the policy of the Board of Trustees that each Campus submit and maintain a balanced Operating Budget. One quarter remained of the 1999-2000 year at the time the Proposed Budget was developed, and the year-end projections in this report were made with two months remaining in the fiscal year. The 1999-2000 full-year performance of each Campus will be reviewed at the October meeting of the Board of Trustees following the close of the fiscal year.

The financial information in this report is presented using the Financial Accounting Standards Board (FASB) 117 reporting standards that became mandatory for independent colleges and universities on July 1, 1995. The objective of this FASB 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 report provides a detailed view of the budgeted 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. If you are familiar with the terms and format of this report, you may want to begin reading at the 1999-2000 Year-End Projection section on page 7.

II. FORMAT AND CONTENT

The 2000-01 Proposed Budget contains summary schedules for the entire University and similar schedules for each Campus. In addition, each Campus has prepared a narrative description of the significant events that have occurred in the current year as well as those that are expected to occur during the next year. Expenditures that are linked to the

University Plan are given special attention in the narratives. The purpose of the narrative is to give an overview of how each Campus is managing and what problems and opportunities it anticipates in the coming year. In addition, each Campus has proposed capital expenditures for 2000-01 that are part of the Five-Year Capital Plan.

Under Board of Trustee policy, Trustee approval is required for any facility or equipment expenditure of more than $25,000. Expenditures between $10,000 and $25,000 require the advance approval of the Vice Chancellor and they must be reported to the Finance Committee in a timely manner. The capital expenditures contained in this report are proposed for purchase in 2000-01. Campuses frequently identify planned purchases of less than $10,000 in order to provide a more complete picture of their capital spending plan.

Board of Trustee action is needed to authorize tuition and fee schedule changes for 2000-01. Each Campus has included a schedule of proposed student charges showing the prior year rates, the proposed rates, and the percentage change. Although a schedule of tuition rate changes is included for the College, the Board of Trustees approved tuition and fees for the College at the February meeting. Early action on College tuition and fee rates is needed in order to allow the timely preparation of financial aid packets for prospective students.

III. THE FUNCTION SCHEDULE

For the University as a whole and for each of the Campuses, the Proposed Budget contains two schedules. The first is the 2000-01 Proposed Budget by Function. This schedule provides information about Revenues by Type and Operating Expenses by Function. The purpose is to show what is happening to the various major revenue streams that support the University and to show how Operating Expenses are assigned to the various programs or functions.

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 University-operated "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.

Because restricted revenues do not become part of the unrestricted operating funds of the University until they are Released from Restrictions, the amounts shown for Gifts and Grants may vary from the figures reported by the Development Offices for the same period. The Development Offices report gifts on a cash basis, that is, as they are received. The Accounting Office reports gifts on an accrual basis, that is, when they are received or pledged. 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 Office 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.

The Function schedule in this report for Antioch University as well as the Function schedules for Central Administration and University Wide expenses contain an additional line, "Net Overhead for Central Operations." This line has been added to the Function schedules of these three areas to more clearly display the cost of central operations. Ordinarily, the Overhead used to support the Central 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 123.

The columns of the 2000-01 Proposed Budget by Function schedules present information about the two prior years, the current year, and the coming year. For comparison purposes, the first two columns contain the 1997-98 and 1998-99 actual expenditure history. The third column contains the 1999-2000 Budget as approved by the Board of Trustees and the fourth column contains information about how each of the Campuses anticipate their 1999-2000 Budget will appear at the end of the current fiscal year. That is, the 1999-2000 Budget column is the plan for the current year while the 1999-2000 Projected column shows how the plan is likely to play out. The next two columns, Change from 1999-2000 Budget to 1999-2000 Projected show the dollar amount and percentage variance between the plan for the current year the likely outcome at June 30.

Because the Proposed 2000-01 Budget is developed from current year operations, it is important to consider how the current year will end before deciding on what is or is not possible in the new year. For this reason, the Proposed Budget schedules show the changes from the current year budget to the anticipated year end amounts.

The Proposed 2000-01 Budget is segregated from the other columns by solid vertical lines and bold type to make it stand out from the other numbers. The next two columns on this schedule compare the Proposed 2000-01 Budget with the 1999-2000 Projected outcome, and the last two columns compare the Proposed 2000-01 Budget with the 1999-2000

Budget as approved by the Board. Each set of comparisons present the dollar variance and percentage variance. Major dollar/percentage changes tend to signify programmatic shifts or restructuring.

FASB 117 requires the presentation of information on an accrual basis, but the actual management of the University also depends on maintaining an appropriate cash flow so that current obligations can be met. The schedules in this Report contain an Annual Budget 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 the campuses end 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. The "Unfunded Reserves" of the campuses become "Funded Reserves" whenever there is surplus cash at year-end. 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 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.

IV. THE CATEGORY SCHEDULE

The second major schedule is the 2000-01 Proposed University Budget by Category. On this schedule, Revenues from the Function Schedule (including Net Overhead for Central Operations) are condensed to a single line, but Operating Expenses from the Function schedule are presented by category (e.g., Salaries & Wages, Benefits, Supplies). These Categories show how the Proposed Budget will be expended by the Major Expense categories that are explained in detail on page 124.

A section of these schedules show the Contingency/Reserves that the Campuses are required to budget. The "Campus Contingency, Mandatory" amount is budgeted at 2% of net student revenue. This Reserve will be retained centrally until the University Administration is reasonably sure that overall University Revenues and Expenditures will balance for the year. At the end of each quarter of the fiscal year, those Campuses that are performing at or above their budgeted level may request the release of a portion of the Mandatory Reserve. In October we do not anticipate releasing more than 10% of the total. In January we would expect to release not more than 50% (cumulative) of the total with the remaining 50% to be released in April. These percentages are guidelines; if total University Revenue appear to be much higher or lower than budgeted, the percentages that can be released at the end of any quarter will be appropriately adjusted.

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 will 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 is equal to 1.25% (1.5% for Seattle) of the net tuition and fee Revenue of each Campus. The Liquidity Reserve is not available for expenditure for any purpose, but the amounts budgeted are added to the Liquidity Reserve each year and allowed to accumulate in order to increase the financial integrity of the University. The bond issues that have financed facilities at New England and Seattle and retired debt for the College require the University to operate with an excess of revenue over expenses in each year. In order to satisfy this ratio requirement and to build for the time when the University can satisfy Moody Investors Service requirements for a bond rating, this money is accumulated during the year in a University-wide account. As with the Program Contingency, the Liquidity Reserve is removed from the campus budgets and appears as an expense. However, the Liquidity Reserve is <u>not</u> shown in the University Wide section and this makes the University financial position as a whole appear somewhat worse than it is. Unlike the Program Contingency, the Liquidity Reserve is not credited back to the campuses at year-end because it may not be used to off-set expenditures. Rather, it is intended to assure an annual budgeted surplus.

The Overhead section shows the assessments that are made against each Campus in order to support operations of the University. The assessments are made at the rate of 13.75% of net student revenue. Net student revenue excludes 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 are transferred to the individual campuses, as is the Subsidy from Adult Campuses and the Subsidy from Overhead. Campuses that receive Rebates and Subsidies will show negative amounts in the various columns of this schedule because the transfer is shown as a "negative expense" rather than as a Revenue. Although these transfers are "income" to the receiving campus, from the standpoint of the University they represent only the reassignment of revenue from one campus to another.

The Overhead section of the Summary by Category schedule shows the assessments that are made against the student derived revenue of each campus in order to support operations of the University. Although overhead is assessed at 13.75%, Rebates reduce the effective Overhead rate. Rebate increases in 2000-01 will lower the effective Overhead rate to 8.75% or less for the Adult Campuses. 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 the University Conference. Because the University Conference did not occur last year, this line will show increases for all campuses.

Depreciation is a major expense for the University, and is carried centrally because all facilities are held in the corporate name of the University. Both the Depreciation Expense and the Add Back Depreciation entries appear in the University Wide expenses section on pages 121 and 122.

The columns on the 2000-01 Proposed Budget by Category schedule are identical to those on the Budget by Function schedule.

V. 1999-2000 YEAR-END PROJECTION

Success in the current budget year is important for the financial health of the organization and also because the current budget is a template for the new budget. If there are significant problems with revenues and expense in the current year, care must be taken to insure that corrective actions are taken so that the problems do not continue in the new year. On the basis of the first ten months of operations, the operating units have projected where they believe they will complete the current fiscal year. To their numbers are added the projected University-wide revenues and expenses to arrive at the forecast for the University as a whole. With 80% of the fiscal year completed, we are projecting that the University as a whole will complete the fiscal year with an accrual balance of $388,563. The projected surplus is lower than the actual accrual surpluses reported in each of the last three years. In 1996-97 the actual accrual balance was $1,817,344. In 1997-98 it was $827,405, and in 1998-99 it was $500,109. This pattern of decline has less to do with operations of the campuses than it does with the performance of the stock market. Realized and unrealized gains on the endowment are reported as revenues, and the performance of our portfolio and the market as a whole is not expected to be as great this year as it was in previous years. The projected year-end cash basis balance is projected to be $1,490,950. A significant portion of the projected cash balance is in the form of gains on the endowment. For this reason, the cash is not available to the University for day-to-day operations and does not provide working cash to cover payrolls and other expenses between the large seasonal influx of tuition revenue.

A fortuitous and unexpected addition to cash occurred this spring when the University Administration was able to sell some stock that had been received in exchange for rent. Two years ago a tenant was unable to pay all of their accumulated rent debt and we negotiated an arrangement by which they deposited their stock with us as security for future payment. They had a year to pay the outstanding rent balance and retrieve their stock or the stock became the property of the University. After a year had passed, the value of the stock had decreased below the rent debt and the company opted to forfeit the shares as settlement of the obligation. The value of the stock decreased to about $.10 per share by the time the University was able to sell the it. However, in a period of days the stock came to the attention of the market and the price rose dramatically. The University sold its shares at $1.65 per share and realized $220,000. A portion of these proceeds have been used to make necessary repairs to the Kettering Building and the balance will become working capital.

Whether the projected accrual and cash balances become a reality at June 30 depends on the performance of the campuses and the stock market. While we have little influence over the market, we do have responsibility for controlling operating expenses and generating revenues. The College is projecting an accrual balance at year end of $471,937 and a net cash deficit of $-351,977. Achieving these balances depends on whether the College can realize total gifts of $2,525,011. This total is $1,097,235 more than the amount budgeted as Gift Revenue, but the College has already received significant unrestricted gifts and the College administration is confident that the projected level can be reached. The College is also projecting expenses that will be $464,723 below budget.

New England is predicting an accrual balance of $127,556 at year end and a zero cash basis finish. In order to meet the requirement for a balanced cash budget, New England is planning to use $71,483 of Prior Year Reserves. The campus administration is doing everything it can to avoid using its Prior Year Reserves.

The Seattle campus is projecting an accrual balance of just under $480,000 and a net cash basis balance of $145,262. It is likely that the cash balance will be less than this amount because Seattle is planning to purchase some additional computers and other capital before year-end. While these purchases will not affect the accrual balance, they will lower the cash balance.

At Antioch Southern California, the projected accrual balance is $113,521 with a net cash basis forecast of $68,521. Because revenues at Southern California are projected to decrease by more than 4% of budget, it has been necessary for the Campus to lower its operating expenses by more than 5%.

The McGregor School has struggled this year because revenues did not make budget. The Campus is projecting that revenues will be down more than 5.5% from budget. Expenditures have been reduced by nearly 4.8%, but the campus is projecting a cash deficit of $69,907 but a cash basis balance of zero at year-end. The zero cash balance will be achieved by using nearly $100,000 of Prior Year Reserves.

As in 1998-99, Tuition and Fee Revenue is being projected below the budgeted level. Last year at this time, Tuition and Fee Revenue was projected to be $2.5 million below the budgeted level, but this year the variance is better by $500,000. Nonetheless, all of the operating units will fail to reach their budgeted Tuition and Fee level and this has necessitated considerable realignment of expenditure plans during the year as well as a reliance on Prior Year Reserves and the need to raise additional Gift Income.

1999-2000 TUITION AND FEE REVENUE

	1999-2000 Budgeted	1999-2000 Projected	Variance
Antioch College	12,069,086	11,200,938	-868,148
Glen Helen	116,440	104,800	-11,640
New England	8,306,440	8,062,133	-244,307
Seattle	8,027,204	7,821,463	-205,741
Southern California	9,286,332	8,934,518	-351,814
McGregor	5,273,582	4,910,000	-363,582
TOTALS	$43,079,084	$41,033,852	-$2,045,232

Tuition discounts, which can have a significant impact on net tuition revenue, are just slightly below the budgeted level.

Other revenues are anticipated to be above budget with Contracts being up 112.36% ($417,990) and Other Income up 77.95% ($866,440) over budget. The amount to be Released from Restrictions is expected to be $614,578 below budget (-23.71%) primarily because the College has not used as much restricted revenue as was anticipated at the beginning of the fiscal year. At the College, Restricted Revenue is used primarily for scholarships and library books.

Salaries and Wages is the single larges expense category and accounts for 46.8% of all expenses. Directly related to Salaries and Wages is Benefits which accounts for more than 13% of total University expenses. Both of these categories are projected to be below budget for 1999-2000 with Salaries and Wages dropping nearly 1% and fringe benefits falling more than 7% from the budgeted level. Student Aid Services is projected to be 8% ($104,306) above budget. This line contains considerable funding from restricted grant scholarships that cannot be used for other purposes. Supplies are up nearly 10% ($133,396), Business Operations is projected to be up by 7.36%, while the other categories are about at their budget level or below. Total operating expenses are projected to be 3.43% below budget. Capital Expenditures are expected to exceed the budget by $378,075 (62%) which reflects, in part, major repair work on the Kettering Building and a number of unbudgeted projects at the College, several of an emergency nature.

In each of the last several years the University Administration has rebated fringe benefit funds to the individual campuses. These rebates reflected savings in medical and drug costs as a result of central changes to the insurance coverage as well as rebates from the State of Ohio for workers compensation. This year, we anticipated these savings and allowed the campuses to build them into their 1999-2000 operating budget. Our projections were quite close and, as a result, the campuses have already received the benefit of savings realized by the central programs. No significant rebates will be provided at the end of 1999-2000.

VI. 2000-01 BUDGET OVERVIEW

Tuition and Fee Revenue constitutes more than 80% of all revenue received by the University as a whole. Growth in tuition and fee income is essential to cover the increasing cost of salaries, wages and inflation. It is also the primary vehicle for financing new programs, and new programs that attract additional students are the primary source of revenue growth. Last year the campuses projected combined tuition and fee increases of 12.05% over their projected tuition and fee revenue for the prior year. For 2000-01, the campuses are projecting Tuition and Fee Revenue increases of 12.03% over the projected Tuition and Fee Revenue for the prior year. As in 1999-2000, the tuition and fee budgets for 2000-01 must be considered aggressive, but the distribution of the increases is different and at least one factor was not present last year. In 1999-2000, the College budgeted $1.5 million more in Tuition and Fee Revenue than it projected to receive in 1998-99. This constituted a 14.42% increase while, in that same budget, New England was projecting additional revenue of only $51,700, or .63% more than it was anticipating to receive in 1998-99. In 2000-01, the College is projecting additional Tuition and Fee Revenue of only $911,528 (8.14%) and New England is projecting an increase of $808,362 (10.03%). While the other three adult campuses are also predicting double digit growth in their tuition and fee income, each of the campuses has presented sound justification for the growth. New programs, particularly Teacher Education, figure significantly at the adult campuses. Work done in previous years to initiate programs is now projected to bring tangible results as new cohorts fill with additional students.

The factor that was not present last year in the Tuition and Fee Revenue equation is the new Ph.D. Program in Leadership and Change. This program is projected to generate $290,000 as its first class enrolls. In the event that the

Ohio Board of Regents does not approve the program this year, the expenditures associated with instruction will not be incurred.

The following table shows, by campus, the projected Tuition and Fee Revenue for 1999-2000 and the amount included in the new budget:

2000-01 TUITION AND FEE REVENUE

	1999-2000 Projected	**2000-01 Budgeted**	**Change**	**Percent Change**
Antioch College	11,200,938	12,112,465	911,527	8.14%
Glen Helen	104,800	126,045	21,245	20.27%
New England	8,062,133	8,870,495	808,362	10.03%
Seattle	7,821,463	9,057,442	1,235,979	15.80%
Southern California	8,934,518	9,920,400	985,882	11.03%
McGregor	4,910,000	5,592,733	682,733	13.90%
Ph.D. Program	0	290,000	290,000	
TOTALS	$41,033,852	$45,969,580	$4,935,728	12.03%

Each of the Presidents has described in the narrative the reasons why he or she is confident that Tuition and Fee Revenue will increase in 2000-01. While the Presidents are projecting an increase of 12% in net tuition income for 2000-01, net tuition income should improve even more because tuition discounts are being reduced. At the College, in particular, the reduction is significant, but the reason for the change might not be obvious.

2000-01 TUITION DISCOUNTS

	1999-2000 Projected	2000-01 Budgeted	Change	Percent Change
Antioch College	3,184,173	2,604,879	-579,294	-18.19%
Glen Helen	0	0	0	
New England	78,176	0	-78,176	-100.00%
Seattle	81,892	68,000	-13,892	-16.96%
Southern California	213,623	212,100	-1,523	-0.71%
McGregor	51,300	51,283	-17	-0.03%
Ph.D. Program	0	30,000	30,000	
TOTALS	$3,609,164	$2,966,262	-$642,902	-17.81%

In 2000-01, the campuses are moving tuition waivers granted to University employees and their families from the Tuition Discount line (a revenue reduction) to the Fringe Benefit line (an expense item). This change is being made to better reflect the true nature of waivers granted to employees. That is, they are not discounts in the classical sense, but are, in fact, a fringe benefit and should be treated as an expense rather than revenue foregone.

For the University as a whole, gift income is projected to increase more than 16% over the prior budget. This reflects the College's projection of a 14% increase ($200,224) over the prior year, but the College is budgeting a 35.53% decline in gift income from the projected 1999-2000 actual ($-897,011). Endowment income will remain flat on a budget-to-budget basis as the University transitions so the Total Return policy previously adopted by the Board. 1999-2000 was a transition year in which one-time allocations to the College were necessary to prevent a decline in available income as a result of the new policy. The 2000-01 year amount is driven by the formula and the formula will produce increases in each subsequent year.

Projected Contract Income is down both on a projected-to-budget and budget-to-budget basis primarily because of conservative budgeting practices at New England. Although New England has prepared and issued a number of contract proposals, the campus chooses not to budget revenue until the contracts have been issued.

Salaries and Wages will increase in 2000-01 by $2,054,867 (7.8%) over the 1999-2000 budget. The proposed filling of some positions in order to meet the objectives of the University Plan, particularly in the area of development, are part of the reason for the growth on this line. Most significant, however, is an effort to recognize the need for salary improvements for faculty and staff. Faculty salary increases at the College are being increased in an effort to bring compensation to a minimally competitive level over the next several years. The following table shows how salaries and wages will increase at each of the campuses.

BUDGETED SALARY INCREASES FOR 2000-01

COLLEGE	7.8% for faculty and 4.0% for staff effective 7-1-00. The contract for union staff will be negotiated this fall.
NEW ENGLAND	4% for core faculty and staff effective 7-1-00.
SEATTLE	3% for core faculty and staff effective 1-1-20001. $50/ course for adjunct faculty effective 7-1-00.
SOUTHERN CALIFORNIA	4% for faculty and staff earning less than $50,000. 2% for faculty and administrators earning more than $50,000.
McGREGOR	2% for faculty and administrators effective 7-1-00; some equity increases were given above this percentage. An additional 1% may be given 1-1-01 if revenues permit. 3.5% for union staff effective 7-1-00.
UNIVERSITY ADMINISTRATION	3% for staff and administrators effective 7-1-00

For most faculty and staff, these increases will provide a modest amount of catch-up after the recent years of small or no salary increases. The increases for McGregor are small, but they have had to make considerable sacrifices to provide even these increases. For the College, this increase represents the only significant priority they have in the 2000-01 budget.

The 2000-01 budget has again reduced the Net Overhead that the campuses pay to support the University Administration and to provide central services. In 1997-98 the Net Overhead rate for the Adult Campuses was reduced to 10% or less. It was reduced to 9.5% in 1998-99, went to 9.0% in 1999-2000, and it will fall to 8.75% in 2000-01. The Net Overhead Rate is calculated by reducing the Budgeted Overhead by the amount of Budgeted Rebate and Budgeted Subsidy provided to the individual campuses. The Budgeted Net Overhead is then divided by the Student-Derived Income to get the effective overhead rate. For the adult campuses, the 2000-01 Net Overhead Rate has been reduced by a quarter of a percentage point. The overall rate for all campuses will be 7.19% in 2000-01. If Overhead for central operations were calculated as a percentage of all revenues, the rate would be less than 5%.

Net Overhead and Rebates
as a percent of Student Derived Revenue
2000-01 Proposed Budget

Campus	2000-01 Student Derive	2000-01 Budgeted Overhead	Budgeted Rebate	Budgeted Subsidy	Budgeted Net Overhead	Percent of Student Derived
College	7,225,241	993,471	-550,000	-400,000	43,471	0.60%
New England	8,395,579	1,154,392	-417,279		737,113	8.78%
Seattle	7,867,581	1,089,472	-393,379		696,093	8.85%
Southern CA	8,871,500	1,219,831	-440,779		779,052	8.78%
McGregor	4,645,152	638,708	-232,258		406,450	8.75%
	$37,005,053	$5,095,874	-$2,033,695	-$400,000	$2,662,179	7.19%

VII. SUMMARY OBSERVATIONS

Although Tuition and Fee Income is projected to grow at a rate that was not attainable last year, the College has become more conservative in its projections and New England is catching up with increased enrollment and the completion of a technical conversion in its fee structure. Collectively, the campuses have prepared sound budgets, and they have hedged by increasing their Discretionary Reserves by 43.15%. In 2000-01 the campuses have a combined Discretionary Reserve of $830,455. In the event that they are below their projected revenues in the fall, they can use their Discretionary Revenue to cushion their budgets.

From the standpoint of the individual campuses, we anticipate that their budgets can be kept in balance even if revenues do not reach the projected levels. This will require mid-year expenditure corrections, but the range of likely adjustments is within reason.

The most worrisome aspect of the proposed 2000-01 budget is the accrual deficit of nearly $1.5 million. This deficit is not the result of campus extravagance or willful disregard of University budget guidelines; it is due to our practice of budgeting depreciation as a University-wide expense. All depreciation is carried in the central University Wide account and, in recent years, this expense has been covered by realized and unrealized gains in the endowment and other investments. Our concern about the future performance of the stock and bond markets has caused us to take a conservative approach in the amount of gains being forecast. As a result, the accrual deficit projected for 2000-01 has increased by nearly $300,000 over the accrual deficit of $1,193,170 that was budgeted for 1999-2000. The fortuitous appreciation of the stock received in lieu of rent ($225,000), and the significant appreciation of YSI stock ($600,000) and modest growth in the stock market at June 30 are projected to enable the University to end the year with a positive accrual budget. Unfortunately, we have no other stock being centrally held to offset rents and it is unlikely that YSI will experience similar growth in 2000-01. Worse, the stock market is becoming increasingly difficult to predict. Should the stock market actually decline, we would not only face the prospect of not having realized and unrealized gains to offset depreciation, but we would need to cover the loses with operating revenues in order to have a positive accrual budget. I believe that we need to take steps to lower the risk of a negative accrual balance in 2000-01.

As we move into the 2000-01 fiscal year, it will be necessary to rigidly enforce a long-standing policy concerning the release of contingency reserves. This policy states:

> The Campus Contingency will be retained centrally until we are reasonably sure that overall University revenues and expenditures can be made to balance for the year. At the end of each quarter of the fiscal year those campuses which are performing at or above their budgeted level may request the release of a portion of the Contingency ... In October we would not anticipate releasing more than 10% of the total. In January we would expect to release not more than 50% (cumulative) of the total, with the remaining 50% being released in April. These percentages are guidelines: If University-wide revenues appear to be much higher or lower than budgeted, the percentages that we can release at the end of any quarter will be appropriately adjusted.

This policy has been in place for many years, but the University Administration has been lax in enforcing it and the campuses have grown to anticipate spending the funds. As a result, the Contingency has lost its ability to cushion University-wide and campus specific revenue problems.

For the last several years the University has incrementally deducted the Contingency on a monthly basis. That is, $1/12^{th}$ of the Contingency was debited to the campuses each month. This practice has reinforced the belief that the Contingency was available for expenditure at any time because most of the Contingency was visible in the monthly accounting statements.

Beginning in 2000-01, the entire Mandatory Contingency amount will be removed from each campus and the University Administration budget on July 1. In this way, the money will be removed from the campus budget reports and it will be clear that this money is not available for local expenditure. If revenues are being realized as expected, and if the stock market appears to be stable, a portion of the reserve could be released to those campuses that are exceeding their revenue targets. However, if the stock market is performing erratically and it appears that there may not be sufficient realized and unrealized gains to cover depreciation, the contingency will not be returned.

With the higher Discretionary Contingencies and the change in policy to return the Mandatory Contingencies to their original role, I am comfortable that the 2000-01 budget is a responsible financial plan. Antioch needs to develop new programs and aggressively pursue new revenues, and the Presidents are following this course of action. By protecting ourselves from the vagaries of the stock market and by prudently monitoring month-to-month activity, this budget can provide a sound basis for the operation of the University and its campuses.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

Antioch University

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	*Proposed 2000-01 Budget*	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees	37,183,046	38,893,382	43,079,084	41,033,852	-2,045,232	-4.75%	***45,969,580***	4,935,728	12.03%	2,890,496	6.71%
Less Tuition Discounts	-2,484,257	-2,850,613	-3,625,064	-3,609,164	15,900	0.44%	***-2,966,262***	642,902	17.81%	658,802	18.17%
Gifts	2,395,959	1,801,716	2,070,399	3,291,462	1,221,063	58.98%	***2,406,897***	-884,565	-26.87%	336,498	16.25%
Grants	2,514,303	2,945,442	3,051,246	2,710,979	-340,267	-11.15%	***3,264,683***	553,704	20.42%	213,437	7.00%
Endowment Income	224,212	228,553	399,278	521,809	122,531	30.69%	***399,222***	-122,587	-23.49%	-56	-0.01%
Contracts	414,884	575,943	372,000	789,990	417,990	112.36%	***307,473***	-482,517	-61.08%	-64,527	-17.35%
Other Income	2,202,120	1,784,358	1,111,536	1,977,976	866,440	77.95%	***1,181,727***	-796,249	-40.26%	70,191	6.31%
Total E&G Revenue	42,450,267	43,378,781	46,458,479	46,716,904	258,425	0.56%	***50,563,320***	3,846,416	8.23%	4,104,841	8.84%
Auxiliary Enterprises	2,884,208	3,010,065	3,389,936	3,399,085	9,149	0.27%	***3,532,503***	133,418	3.93%	142,567	4.21%
Released From Restrictions	2,621,247	2,887,589	2,591,832	1,977,254	-614,578	-23.71%	***1,935,291***	-41,963	-2.12%	-656,541	-25.33%
Total Revenues	47,955,722	49,276,435	52,440,247	52,093,243	-347,004	-0.66%	***56,031,114***	3,937,871	7.56%	3,590,867	6.85%
Net Overhead for Central Operations	2,406,928	2,379,979	2,581,959	2,581,959	-373,680	-14.47%	***2,662,179***	80,220	3.11%	80,220	3.11%
Operating Expenses											
Instruction	16,578,063	16,645,075	18,412,670	17,571,144	-841,526	-4.57%	***20,090,698***	2,519,554	14.34%	1,678,028	9.11%
Research	16,868	17,791	0	0	0		***0***	0		0	
Public Service	1,889,510	2,452,866	2,279,616	2,365,794	86,178	3.78%	***2,443,852***	78,058	3.30%	164,236	7.20%
Academic Support	2,540,839	2,500,000	2,953,359	2,825,055	-128,304	-4.34%	***3,188,844***	363,789	12.88%	235,485	7.97%
Student Services	5,102,134	5,209,735	5,692,997	5,542,193	-150,804	-2.65%	***5,724,269***	182,076	3.29%	31,272	0.55%
Institutional Support	11,346,576	11,836,415	14,302,130	13,138,576	-1,163,554	-8.14%	***16,156,665***	3,018,089	22.97%	1,854,535	12.97%
Plant Maintenance	6,787,509	6,974,231	6,970,006	7,330,850	360,844	5.18%	***7,120,073***	-210,777	-2.88%	150,067	2.15%
Scholarships	2,824,617	2,945,199	2,831,888	2,833,960	2,072	0.07%	***2,730,541***	-103,419	-3.65%	-101,347	-3.58%
Total E&G Expenses	47,086,116	48,581,312	53,442,666	51,607,572	-1,835,094	-3.43%	***57,454,942***	5,847,370	11.33%	4,012,276	7.51%
Auxiliary Enterprises	2,449,130	2,574,993	2,772,710	2,673,302	-99,408	-3.59%	***2,730,603***	57,301	2.14%	-42,107	-1.52%
Total Operating Expenses	49,535,246	51,156,305	56,215,376	54,280,874	-1,934,502	-3.44%	***60,185,545***	5,904,671	10.88%	3,970,169	7.06%
Excess Revenue over Expenses	827,404	500,109	-1,193,170	394,328	1,213,818	101.73%	***-1,492,252***	-1,886,580	-478.43%	-299,082	-25.07%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	3,701,291	1,342,870	609,655	993,495	383,840	62.96%	***2,495,400***	1,501,905	151.17%	1,885,745	309.31%
Borrowing Proceeds	-1,797,319	-40,110	0	-89,900	-89,900		***-2,084,200***	-1,994,300	-2218.35%	-2,084,200	
Principal Payments	1,066,325	712,228	984,618	934,173	-50,445	-5.12%	***854,548***	-79,625	-8.52%	-130,070	-13.21%
Prior Year Reserves	-277,888	-178,534	-167,443	-171,390	-3,947	-2.36%	***0***	171,390	100.00%	167,443	100.00%
Add back Depreciation	-2,503,482	-2,721,206	-2,620,000	-2,763,000	-143,000	-5.46%	***-2,758,000***	5,000	0.18%	-138,000	-5.27%
Total Cash Items	188,927	-884,752	-1,193,170	-1,096,622	96,548	8.09%	***-1,492,252***	-395,630	-36.08%	-299,082	-25.07%
Net Cash Basis Budget	638,477	1,384,861	0	1,490,950	1,117,270		***0***	-1,490,950	-100.00%	0	

Antioch University
2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	*Proposed 2000-01 Budget*	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	50,362,650	51,656,414	55,022,206	54,675,202	-347,004	-0.63%	***58,693,293***	4,018,091	7.35%	3,671,087	6.67%
Operating Expenses											
Salaries & Wages	22,885,357	24,426,941	26,327,604	26,079,293	-248,311	-0.94%	***28,382,471***	2,303,178	8.83%	2,054,867	7.80%
Benefits	6,284,013	6,205,882	7,315,861	6,797,062	-518,799	-7.09%	***8,009,409***	1,212,347	17.84%	693,548	9.48%
Training & Development	1,512,013	1,501,263	1,636,520	1,623,610	-12,910	-0.79%	***1,629,111***	5,501	0.34%	-7,409	-0.45%
Student Aid Services	1,599,716	1,609,715	1,293,246	1,397,552	104,306	8.07%	***1,437,069***	39,517	2.83%	143,823	11.12%
Special Events	207,121	209,851	286,815	244,426	-42,389	-14.78%	***261,445***	17,019	6.96%	-25,370	-8.85%
Supplies	1,412,739	1,419,636	1,365,495	1,498,891	133,396	9.77%	***1,464,626***	-34,265	-2.29%	99,131	7.26%
Business Operations	4,832,019	4,982,074	5,263,016	5,650,625	387,609	7.36%	***5,605,191***	-45,434	-0.80%	342,175	6.50%
Plant Maintenance	3,330,642	3,158,937	3,229,220	3,240,491	11,271	0.35%	***3,299,875***	59,384	1.83%	70,655	2.19%
Interest Expense	1,421,354	1,379,616	1,312,558	1,261,481	-51,077	-3.89%	***1,438,124***	176,643	14.00%	125,566	9.57%
Resale Costs	610,604	660,867	758,800	710,131	-48,669	-6.41%	***688,300***	-21,831	-3.07%	-70,500	-9.29%
Miscellaneous	406,446	384,284	467,540	286,016	-181,524	-38.83%	***343,751***	57,735	20.19%	-123,789	-26.48%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	754,340	0	-754,340	-100.00%	***773,408***	773,408		19,068	2.53%
Campus Contingency, Discretionary	0	0	580,140	0	-580,140	-100.00%	***830,455***	830,455		250,315	43.15%
Liquidity Reserve	0	0	478,925	0	-478,925	-100.00%	***500,862***	500,862		21,937	4.58%
Overhead											
To the University	4,443,387	4,444,833	4,853,816	4,853,816	0	0.00%	***5,095,874***	242,058	4.99%	242,058	4.99%
Rebates form the University	-1,511,459	-1,664,855	-1,867,034	-1,856,202	10,832	-0.58%	***-2,033,695***	-177,493	-9.56%	-166,661	-8.93%
Subsidy from Adult Campuses	0	0	0	0	0		***0***	0		0	
Subsidy from Overhead	-525,000	-400,000	-400,000	-400,000	0	0.00%	***-400,000***	0	0.00%	0	0.00%
Other (Intercampus Agree & Univ Conf)	122,812	116,055	-61,486	136,447	197,933	321.91%	***101,269***	-35,178	-25.78%	162,755	264.70%
Depreciation	2,503,482	2,721,206	2,620,000	2,763,000	143,000	5.46%	***2,758,000***	-5,000	-0.18%	138,000	5.27%
Total Operating Expenses	49,535,246	51,156,305	56,215,376	54,286,639	-1,928,737	-3.43%	***60,185,545***	5,898,906	10.87%	3,970,169	7.06%
Excess Revenue over Expenses	827,404	500,109	-1,193,170	388,563	1,581,733	132.57%	***-1,492,252***	-1,880,815	-484.04%	-299,082	-25.07%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	3,701,291	1,342,870	609,655	987,730	378,075	62.01%	***2,495,400***	1,507,670	152.64%	1,885,745	309.31%
Borrowing Proceeds	-1,797,319	-40,110	0	-89,900	-89,900		***-2,084,200***	-1,994,300	-2218.35%	-2,084,200	
Principal Payments	1,066,325	712,228	984,618	934,173	-50,445	-5.12%	***854,548***	-79,625	-8.52%	-130,070	-13.21%
Prior Year Reserves	-277,888	-178,534	-167,443	-171,390	-3,947	-2.36%	***0***	171,390	100.00%	167,443	100.00%
Add back Depreciation	-2,503,482	-2,721,206	-2,620,000	-2,763,000	-143,000	-5.46%	***-2,758,000***	5,000	0.18%	-138,000	-5.27%
Total Cash Items	188,927	-884,752	-1,193,170	-1,102,387	90,783	7.61%	***-1,492,252***	-389,865	-35.37%	-299,082	-25.07%
Net Cash Basis Budget	638,477	1,384,861	0	1,490,950	1,490,950		***0***	-1,490,950	-100.00%	0	

ANTIOCH COLLEGE
2000-01 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

During the 1999-2000 year the College struggled with its second successive year of poor fall recruitment, while at the same time maintaining a vigorous agenda of rebuilding the strength of the academic program and improving the infrastructure sufficiently to be competitive. The College's Strategic Plan continued to provide the focus and direction for the College's efforts. The Plan outlines a blueprint of action steps as well as providing benchmarks against which to measure progress. Efforts aimed at enhancing both recruitment and retention were focused on continuing to bolster and build a strong academic program, continuing our reconceptualization and strengthening of the Co-op program, addressing our capital and technology infrastructure needs, and strengthening student services. Development efforts involved parallel work on covering the immediate operating gap resulting from two successive years of poor fall enrollment, and at the same time building the foundation and the capacity for a major capital campaign. The College's efforts during the 1999-2000 year were directed toward the following areas critical to the long-term health and quality of the College:

Improving recruitment efforts. The College experienced very poor recruitment outcomes in the fall of 1998 and the fall of 1999 due to several factors. First and foremost, our analysis has led us to believe that we are seeing a "late-market" result. Admissions programs at peer institutions are more and more often seeking to reach high school sophomores and juniors. The use of direct marketing, summer "camps" and programs for sophomores and juniors, and well-funded field recruitment efforts all contribute to "tracking" prospective students at earlier stages of their high school careers. By the time a student is a senior, she/he has already narrowed the field of college choices, if not having already made a decision. We tend to do well in the "after-market" pool, and have shown significant improvement in our recruitment of spring transfer and entering students, but apart from our very modest foray into building a "junior pipeline", have not been able to reach our goals in the fall cycle. The majority of the highly qualified and motivated seniors have already begun to narrow their choices of schools by the time we first contact them.

Second, the recruitment practices for undergraduate private liberal arts institutions have become more competitive than ever, and Antioch College is under-resourced and outspent at every level of the recruitment process and critically understaffed relative to our peer institutions. We are outspent in searching sophomores and juniors (by hundreds of thousands of dollars), outspent in counselors on the road (by more than two to one, with 4 counselors covering the entire US and managing on-campus visits), outspent in advertising and materials (by as much as 5-to-1), outspent in financial aid (both in meeting percentage of need -- we are only able to meet 84% of need -- and in merit offers, where our $5,000 unfunded Community Responsibility Scholarships compete with $8-10,000 funded scholarships at peer institutions) and outspent in the communication stream we are able to maintain with prospective students and parents.

This past year we continued with our strategy of building relationships with target schools that share our values and pedagogy. We have continued our affiliation with the Coalition for Essential Schools and have managed to build the foundation of a feeder network of source schools. At the same time we have cultivated a relationship with the Coalition of Alternative Schools, and that organization will hold its national conference on our campus in May. Our school-to-work grant from ORISE has partnered us with Sinclair Community College and six Ohio high schools in strengthening the link between work-based learning and college attendance in partnered schools. This program has put us in contact with hundreds of students and parents across the state and has placed us in a positive role of counseling students in preparation for co-op colleges.

During the 1998-99 year we began to do minimal work in the area of building a junior pool, and in the 1999-2000 year we decided to allocate the resources necessary (approximately $150,000 in direct mail and publication costs) to get into the "early market" decision-making by doing direct mail solicitation of sophomores and juniors, thereby building our inquiry pool for the fall of 2001. This strategy had been successful. To date we have developed 11,782 inquiries (including 7,500 juniors and 4,325 sophomores) which places us in an excellent position for the years ahead. We will begin this next year with approximately 10,000 inquiries at the top of our funnel -- the best inquiry position the College has enjoyed in the past ten years. Follow up to this effort will involve a four-day junior program to be held in July, a one-day sophomore college planning workshop in August, and additional mailings to this pool. The challenge will be to sustain this effort financially with support communication, phonathons, counselor contact, etc. We expect continued success with our spring "late market" recruiting.

Improving retention efforts. The Strategic Plan called for building the strength of the academic program, making improvements to our capital and technology infrastructure, enhancing the delivery of student services, and attending to dimensions of community life that would contribute positively to retention. Central to this effort was the revitalization of the faculty and the academic program. The quality, range and depth of our faculty hires over the past three years have had immediate and palpable impact on both recruitment and retention. Our first year attrition, 3/4 of the way through the year, is at 5% (compared to 8% in our best previous year), and our overall attrition is significantly reduced as well. Co-op has been revitalized by the appointment of Pat Linn as Dawson Professor and Susan Eklund-Leen as Director. Under Dr. Linn's leadership, the department is once again providing intellectual leadership to the campus. Another contributing factor has been our very deliberate efforts to strengthen student support services. The work of the Academic Support Center in supporting student growth and excellence has been stunning, and improved health and counseling services have contributed to positive retention numbers. Diminished progress in building and updating the technology infrastructure of the campus has continued to fuel price/value discussions among students on the fence, and to negatively impact our retention efforts. The budgetary challenge involves our capacity to continue to show progress in this area. In general, the College has continued to improve upon its dramatic retention gains of two years ago, our graduation rate continues to inch upward (against the grain of national averages), and we continue to improve on first-year retention.

Strengthening the Academic Program. Prospective students and their parents, alumni, trustees and even critics of the College all point to the strength and credibility of the academic program as central to Antioch's reputation and its capacity to attract and retain students. We searched tenure track positions, hired well, and filled the roster to capacity. Of course the implication is that there is far less budgetary flexibility in having a full roster. We have added approximately $800,000 to our budget for the academic program, and this has reduced our choices in other areas. The improvements to the academic climate of the campus, however, have had far reaching implications for the long-term health of the College. This past spring the faculty organized a symposium for faculty presentations of research and work in progress; sixteen faculty members presented their work to an enthusiastic gathering of students and faculty colleagues. An initiative by Pat Linn engaged twenty five faculty members (nearly half the faculty) in reading and discussing theories of "situated learning" in terms of finding continuity between cooperative, classroom and community learning and the manner in which we structure those "communities of practice". Another initiative involved preliminary faculty discussion of an honors program in "Civic Leadership and Community Service." The academic climate of the College is perhaps the strongest it has been in recent years, and we are experiencing this as a real strength in our recruitment and retention efforts.

Building the foundation for a major capital campaign. We began the process of ramping up to a capital campaign by adding senior level staff in the Development office. The rationale for being aggressive in this area was that the resources committed during the 1999-2000 year (approximately $150,000) would yield results in the coming years. Two new senior development officers embarked on structured interviews with potential campaign donors and the foundation work necessary for a major campaign. The structured interviews (a) yielded direct results in the form of gifts, (b) provided critical information on capacity, and (c) helped to establish a positive foundation for the campaign. In addition, the increased fundraising effort helped to cover the revenue gap resulting from enrollment shortfalls.

Addressing technology and infrastructure needs. Technology, infrastructure and facilities continue to be critical negative factors in Antioch College's competitive position among liberal arts colleges nationally. Our progress in this area slowed during the 1999-2000 year due to constraints of funding. Continued wiring and networking of the campus is on hold, pending approval of a proposed bond issue. Ironically, this is one of the first questions posed by prospective students and their parents, and one of the tipping points in price/value considerations. We made some progress upgrading our phone switch and bringing sufficient lines to campus to permit phone service in dorm rooms, but the system has not yet been activated. The College's Renovation Task Force met throughout the year, conducted a physical assessment of College buildings, continued consultation with constituent groups across the campus, and with the assistance of the architectural firm of Schooley Caldwell, prepared an agenda of priorities for campus facilities. A preliminary report from this Task Force will be presented to the Physical Facilities Committee for discussion, the priorities will be blended with capital campaign planning, and detailed work on the prioritized projects will begin in the 2000-01 year. Deferred maintenance continues to be of significant concern.

In general, the College continued the steady implementation of its Strategic Plan during the 1999-2000 fiscal year. However, our aggressive efforts (a) to strengthen the academic program, (b) to become competitive in the admissions arena, (c) to continue forward progress with our technology infrastructure, and (d) to build the foundation for a major capital campaign, in combination with two successive years of poor performance in the recruitment of a fall class, resulted in expenditures running well ahead of revenues.

II. FINANCIAL SITUATION IN 2000-01 COMPARED TO 1999-2000

The College is projecting a slight decrease in enrollment for the 2000-01 year. This in part reflects the cumulative impact of the two years of shortfalls in fall enrollment noted above. We are budgeting for flat tuition and fees (based on slightly reduced enrollment, the 4% increase in fee schedule, an overall increase in AEA program revenues and two new summer Institutes), increased annual fund revenue (based on commitments of matching gifts), and reduced Released from Restrictions revenue (based on our most conservative projection). We have also budgeted a lower tuition discount number (based on the shift of tuition remission and co-op stipends to the expense side, and replacement of tuition discounts with restricted scholarships).

On the expense side, our budget will include reductions in most categories, including the holding back of some unfilled positions, and a 2% across the board reduction to be held until gifts increase or contingency can be released. Fringe benefit expense projections have increased 16.7% due to both an increase in benefit costs and the shift of employee tuition remission to the benefits line. In an inter-campus agreement with the McGregor School, the College has reduced its subsidy from McGregor by one percentage point. Also reflected on the expense side is the repayment of the $200,000 Drey "backstop" to be used to balance the 1999-2000 year-end budget.

It should be noted that there are two scenarios for capital expenditures that rest on the Board's decision regarding moving a bond forward. The bond includes a number of capital projects (including the air-conditioning of Main Building and Mills Hall) that are drawn from the 5-year capital list submitted to the Board for the last three years. What is budgeted here is $150,000 for the first year of debt service on that proposed bond, in addition to a small amount to cover projects that are not anticipated in the bond and cannot be accommodated under operating budgets. If the bond should move forward, the College will undertake the capital projects outlined there, and will have the first year of debt service covered. If the Board decides not to move the bond forward, the College would project a $100,000 capital expense line, and move the remaining $75,000 to other expenses. In the second scenario, capital projects would only be undertaken as gift funding became available.

III. STRATEGIC UNIVERSITY PRIORITIES

There are two central concerns in our budgeting process. The first is clearly enrollment. While the College continues to make progress, we are clearly being out-spent and out-marketed in our peer group, and we simply cannot compete with the merit aid being offered to prospective students at competing institutions. The market is even more competitive this year than last, and we are not spending enough to have a break-out recruitment year. We don't have the resources to put more into this effort in the 2000-01 budget year, but know that we should. The second is faculty compensation. We have lost one of our best new faculty, and another is attracted to institutions with higher compensation. In addition, in our extensive search experience we are finding increasing difficulty in attracting the faculty we seek to the College. Faculty strength and the strength of the academic program are in a large part responsible for our retention gains, and so the College's budget addresses compensation improvement as the only significant change in the budget from last year.

Strengthening faculty and staff compensation. This is the central priority of the 2000-01 budget. In the fall the Faculty Salary Committee brought to Administrative Council a five-year proposal to make aggressive improvements in faculty compensation. The proposal documented a gaping disparity, as much as 20%, between Antioch College salaries and the bottom level of compensation among Great Lakes Colleges Association schools -- in every rank. The Committee's proposal sought to close the gap between average salaries by rank and those at the college next above us within three years, and to move toward the median in the following two years. This plan is central to our ability to attract and retain both faculty and students. The College has experienced the consequences of poor compensation in the past: those with the strongest credentials and teaching experience depart, and those who are weakest in both teaching and scholarship remain. There are clear tensions and risks involved in addressing this goal, but there are more substantial risks involved in failing to address the critical issue of faculty recruitment and retention. Toward this end, the College has budgeted an overall compensation increase of 8.76% for faculty, and an overall compensation increase of 4% for staff.

Building fund development at every campus. The College is actively preparing the ground for a major campaign. We have secured several lead gifts, have staff in place, and will seek further enhancements of our capacity that are tied to securing further lead gifts for the campaign. No increases for this strategic priority are built into the 2000-01 budget.

Academic program development and innovation. The bulk of the College's program development and innovation effort is focused in two areas – our summer term, and the situated and problem-based learning work that is being led by Dr. Pat Linn. Faculty summer opportunities for participatory and action research, field work, intensive course delivery, team teaching, and Institute development provide a mechanism for innovation that has proven extremely productive, and manageable within normal budget parameters. It continues to "back-feed" innovations into the fall and spring terms. A faculty development workshop on summer block teaching, led by visiting Colorado College faculty, was attended by 23 College faculty. Again, the costs were covered by restricted faculty development funds and were not carried in the operating budget. We are offering two new Summer Institutes in the Summer 2000 semester -- a Leadership Institute and a Writers Institute. While we have developed a new Antioch Education Abroad program (Buddhist Studies in Japan) and are working on several additional new programs, program development in this area is required to be self-supporting, and in fact produces additional revenue for the College.

Strengthening Antioch regional and national visibility and marketing. The College senior staff met with David Treadwell and Matt Ralph of Plainspoke this winter, to explore the possibilities of a multi-phased approach to re-tooling our admissions materials, marketing effort and web design. This team was responsible for the award-winning admissions materials we are currently using, and David Treadwell has been associated with the College for a number of projects over the years. The approach involves research and assessment through interviews on campus, and the development of a set of admissions and marketing materials that are integrated with a redesigned web page. This project is not in our 2000-01 budget, and though we continue to prepare for this effort, it will wait on lead gifts or outside funding. Other efforts at increasing visibility and preparing the ground for a capital campaign include (a) the College's series of lectures and performances celebrating the liberal arts, (b) the scheduled investiture and distinguished panel on "The Future of the Liberal Arts", increased frequency of alumni events around the country, (c) participation in the update of the Loren Pope book on colleges that change lives, and (d) increased regional and national marketing of Antioch College's summer program.

Begin to implement the recommendations of the Technology Task Force. Since the recommendations are as yet unclear, it is difficult to assess budgetary impact. The College, however, is not in a good position to meet additional challenges in this regard, except through short- and long-term capital borrowing and continued fundraising with alums. The wiring of our basic infrastructure is critical (roughly half of our buildings are wired, 160 of 500 beds are wired, and only 35 of our 61 faculty are networked) to recruitment and retention, and will be done outside of our operating budget. Technology projects included in the bond under consideration are as follows:

Residence Halls Data network and telephone service	$181,500
Computer and laboratory upgrades	66,600
Antioch Hall data network wiring	74,000
Digital editing equipment	8,700

There are no additions to our Technology Resources budget in our 2000-01 operating budget.

IV. ENROLLMENT, RECRUITMENT, RETENTION & FTE PROJECTIONS.

The College projects enrollment for the 2000-01 academic year of 598, down slightly from 1999-2000. The budget projects 388 continuing students, with an attrition rate of 12.5% (based on a three-year historical average). The budget anticipates 210 new student FTEs across the year, with 195 entering in the fall and 30 entering in the spring term (the equivalent of 15 FTEs). In addition, we anticipate sustained non-matriculant enrollment in the summer term (approximately 30), and a sustained yield of 8-10 Limited Residency Degree Completion students.

V. TUITION AND FEES.

College tuition and fees reflect an increase of 4%. The tuition and fees for 2000-01, as approved by the Board at the February meeting, are as follows:

Tuition	$ 19,408
Room	2,510
Board	2,622
Fees	422
CG Fees	412
TOTAL	$ 25,374

This year our "facilities" fee was rolled into the tuition fee to make our structure comparable to that of other institutions. It should be noted that health fees and Community Government fees have not yet been finalized.

Robert H. Devine
President

Antioch College

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues											
Tuition & Fees	9,598,204	10,817,666	12,069,086	11,200,938	-868,148	-7.19%	***12,112,465***	911,527	8.14%	43,379	0.36%
Less Tuition Discounts	-2,167,392	-2,496,675	-3,286,264	-3,184,173	102,091	3.11%	***-2,604,879***	579,294	18.19%	681,385	20.73%
Gifts	1,980,001	1,292,339	1,427,776	2,525,011	1,097,235	76.85%	***1,628,000***	-897,011	-35.53%	200,224	14.02%
Grants	1,349,156	1,406,747	1,453,468	1,204,546	-248,922	-17.13%	***1,450,000***	245,454	20.38%	-3,468	-0.24%
Endowment Income	170,112	176,082	250,000	373,167	123,167	49.27%	***230,000***	-143,167	-38.37%	-20,000	-8.00%
Contracts	996	891	0	0	0		***0***	0		0	
Other Income	752,614	89,748	208,451	41,406	-167,045	-80.14%	***120,000***	78,594	189.81%	-88,451	-42.43%
Total E&G Revenue	11,683,691	11,286,798	12,122,517	12,160,895	38,378	0.32%	***12,935,586***	774,691	6.37%	813,069	6.71%
Auxiliary Enterprises	2,265,022	2,277,600	2,527,376	2,532,629	5,253	0.21%	***2,669,426***	136,797	5.40%	142,050	5.62%
Released From Restrictions	1,766,920	2,008,590	1,771,631	1,142,502	-629,129	-35.51%	***1,170,122***	27,620	2.42%	-601,509	-33.95%
Total Revenues	15,715,633	15,572,988	16,421,524	15,836,026	-585,498	-3.57%	***16,775,134***	939,108	5.93%	353,610	2.15%
Operating Expenses											
Instruction	3,919,508	4,037,623	4,806,883	4,363,255	-443,628	-9.23%	***5,022,644***	659,389	15.11%	215,761	4.49%
Research	16,868	17,791	0	0	0		***0***	0		0	
Public Service	27,839	0	0	0	0		***0***	0		0	
Academic Support	928,303	924,099	1,017,622	977,405	-40,217	-3.95%	***1,081,315***	103,910	10.63%	63,693	6.26%
Student Services	2,167,584	2,198,529	2,387,122	2,268,197	-118,925	-4.98%	***2,252,864***	-15,333	-0.68%	-134,258	-5.62%
Institutional Support	1,526,985	1,806,973	2,127,554	2,193,586	66,032	3.10%	***2,559,686***	366,100	16.69%	432,132	20.31%
Plant Maintenance	1,512,379	1,534,691	1,459,497	1,601,175	141,678	9.71%	***1,406,754***	-194,421	-12.14%	-52,743	-3.61%
Scholarships	1,929,299	1,972,521	1,818,747	1,865,392	46,645	2.56%	***1,739,567***	-125,825	-6.75%	-79,180	-4.35%
Total E&G Expenses	12,028,765	12,492,227	13,617,425	13,269,010	-348,415	-2.56%	***14,062,830***	793,820	5.98%	445,405	3.27%
Auxiliary Enterprises	2,146,793	2,138,947	2,211,387	2,095,079	-116,308	-5.26%	***2,206,304***	111,225	5.31%	-5,083	-0.23%
Total Operating Expenses	14,175,558	14,631,174	15,828,812	15,364,089	-464,723	-2.94%	***16,269,134***	905,045	5.89%	440,322	2.78%
Excess Revenue over Expenses	1,540,075	941,814	592,712	471,937	-120,775	-20.38%	***506,000***	34,063	7.22%	-86,712	-14.63%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	1,255,535	556,210	175,180	441,877	266,697	152.24%	***2,026,800***	1,584,923	358.68%	1,851,620	
Borrowing Proceeds	-142,569	-40,110	0	-89,900	-89,900		***-1,946,800***	-1,856,900		-1,946,800	
Principal Payments	427,109	425,714	417,532	471,937	54,405	13.03%	***426,000***	-45,937	-9.73%	8,468	2.03%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	1,540,075	941,814	592,712	823,914	231,202	39.01%	***506,000***	-317,914	-38.59%	-86,712	-14.63%
Net Cash Basis Budget	0	0	0	-351,977	-351,977		***0***	351,977		0	

Antioch College

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues	15,715,633	15,572,988	16,421,524	15,836,026	-585,498	-3.57%	***16,775,134***	939,108	5.93%	353,610	2.15%
Operating Expenses											
Salaries & Wages	7,041,143	7,380,829	8,105,798	8,077,801	-27,997	-0.35%	***8,137,713***	59,912	0.74%	31,915	0.39%
Benefits	2,048,330	1,998,160	2,524,789	2,328,814	-195,975	-7.76%	***2,705,333***	376,519	16.17%	180,544	7.15%
Training & Development	445,517	467,842	560,069	470,050	-90,019	-16.07%	***472,067***	2,017	0.43%	-88,002	-15.71%
Student Aid Services	1,383,668	1,377,145	1,071,417	1,184,824	113,407	10.58%	***1,165,717***	-19,107	-1.61%	94,300	8.80%
Special Events	78,671	66,771	121,095	59,689	-61,406	-50.71%	***111,850***	52,161	87.39%	-9,245	-7.63%
Supplies	736,264	740,637	757,527	775,955	18,428	2.43%	***741,915***	-34,040	-4.39%	-15,612	-2.06%
Business Operations	1,271,995	1,369,575	1,372,556	1,386,252	13,696	1.00%	***1,435,673***	49,421	3.57%	63,117	4.60%
Plant Maintenance	1,093,328	1,086,310	1,055,929	1,085,564	29,635	2.81%	***980,536***	-105,028	-9.67%	-75,393	-7.14%
Interest Expense	203,490	146,926	130,342	131,761	1,419	1.09%	***279,227***	147,466	111.92%	148,885	114.23%
Resale Costs	401,125	340,077	345,000	276,796	-68,204	-19.77%	***265,000***	-11,796	-4.26%	-80,000	-23.19%
Miscellaneous	256,612	229,529	311,792	181,294	-130,498	-41.85%	***257,215***	75,921	41.88%	-54,577	-17.50%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	144,873	0	-144,873	-100.00%	***144,505***	144,505		-368	-0.25%
Campus Contingency, Discretionary	0	0	57,336	0	-57,336	-100.00%	***124,852***	124,852		67,516	117.75%
Liquidity Reserve	69,832	90,636	90,545	90,545	0	0.00%	***90,316***	-229	-0.25%	-229	-0.25%
Overhead											
To the University	960,187	996,993	996,000	996,000	0	0.00%	***993,471***	-2,529	-0.25%	-2,529	-0.25%
Rebates form the University	-550,000	-550,000	-550,000	-550,000	0	0.00%	***-550,000***	0	0.00%	0	0.00%
Subsidy from Adult Campuses	-200,000	-200,000	-200,000	-200,000	0	0.00%	***-200,000***	0	0.00%	0	0.00%
Subsidy from Overhead	-525,000	-400,000	-400,000	-400,000	0	0.00%	***-400,000***	0	0.00%	0	0.00%
Other (Intercampus Agree & Univ Conf)	-539,604	-510,256	-666,256	-531,256	135,000	20.26%	***-486,256***	45,000	8.47%	180,000	27.02%
Depreciation	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	14,175,558	14,631,174	15,828,812	15,364,089	-464,723	-2.94%	***16,269,134***	905,045	5.89%	440,322	2.78%
Excess Revenue over Expenses	1,540,075	941,814	592,712	471,937	-120,775	-20.38%	***506,000***	34,063	7.22%	-86,712	-14.63%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	1,255,535	556,210	175,180	441,877	266,697	152.24%	***2,026,800***	1,584,923	358.68%	1,851,620	
Borrowing Proceeds	-142,569	-40,110	0	-89,900	-89,900		***-1,946,800***	-1,856,900		-1,946,800	
Principal Payments	427,109	425,714	417,532	471,937	54,405	13.03%	***426,000***	-45,937	-9.73%	8,468	2.03%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	1,540,075	941,814	592,712	823,914	231,202	39.01%	***506,000***	-317,914	-38.59%	-86,712	-14.63%
Net Cash Basis Budget	0	0	0	-351,977	-351,977		***0***	351,977		0	

ANTIOCH COLLEGE
2000-01 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0

Campus	Building Improvements	Amount
College	Fire System Upgrade	10,000
	HVAC Improvements	529,000
	Replace Electrical Transformer	60,000
	Classroom Furniture & Lab Equ	300,000
	Exterior Improvements	40,000
	Hot Water Heaters	10,000
	Condensate Lines & Pump	10,000
	Roof Repairs/Replacements	120,000
	ADA Ramps, Doors, Restrooms	200,000
	Resurface Parking Lots/Drives	105,000
	Landscaping	10,000
	North Hall Windows/Lighting	120,000
	Total Building Improvements	1,514,000

Campus	Equipment	Amount
College	Instructional Comm Editing Eq	8,700
	Campus Network	74,000
	Computer Upgrades	66,600
	Residence Hall Tech/Phones	181,500
	Total Equipment	330,800

Campus	Furniture & Fixtures	Amount
College	Furniture & Carpet Res Halls	65,000
	Total Furniture & Fixtures	65,000

Campus	Vehicles	Amount
College	Mowers	12,000
	Vehicle Replacement	25,000
	Total Vehicles	37,000

Campus	Library Books	Amount
College	Library Books	80,000
	Total Library Books	80,000

	Grand Total Capital Budget	**2,026,800**
		========

Antioch College
Tuition Rate Changes 2000-01

Program	1999-00 Rates	2000-01 Proposed	% Change
Tuition	17,556	19,408	10.55%
Room and Board	4,876	5,132	5.25%
Fees	1,965	834	-57.56%
Total per Year	24,397	25,374	4.00%

GLEN HELEN ECOLOGY INSTITUTE
2000-01 PROPOSED BUDGET

After a primarily "caretaker" leadership year, the Glen Helen Ecology Institute projects a slight surplus.

The total of contributions to the Institute from individuals has gradually increased. This budget assumes that this trend will continue.

Fees charged by the Outdoor Education Center are being increased.

Following a budgeted 30 percent cut in total salaries from 1998-99 levels, 1999-2000 shows further savings in benefits not due administrative employees on temporary contracts. In 2000-01, continuing employees will receive modest raises and full benefits.

The contingency expenditure line is increased.

Don Hollister
Acting Director

Glen Helen

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees	121,709	119,785	116,440	104,800	-11,640	-10.00%	***126,045***	21,245	20.27%	9,605	8.25%
Less Tuition Discounts	0	0	0	0	0		***0***	0		0	
Gifts	23,114	20,961	110,000	99,000	-11,000	-10.00%	***128,612***	29,612	29.91%	18,612	16.92%
Grants	2,000	19,500	0	1,560	1,560		***12,754***	11,194	717.56%	12,754	
Endowment Income	42,000	42,000	42,000	42,000	0	0.00%	***42,000***	0	0.00%	0	0.00%
Contracts	14,113	13,837	10,000	5,000	-5,000	-50.00%	***10,500***	5,500	110.00%	500	5.00%
Other Income	8,721	5,347	0	87	87		***0***	-87	-100.00%	0	
Total E&G Revenue	211,657	221,430	278,440	252,447	-25,993	-9.34%	***319,911***	67,464	26.72%	41,471	14.89%
Auxiliary Enterprises	260,245	247,535	248,560	248,560	0	0.00%	***265,605***	17,045	6.86%	17,045	6.86%
Released From Restrictions	179,559	94,165	12,200	14,531	2,331	19.11%	***11,376***	-3,155	-21.71%	-824	-6.75%
Total Revenues	651,461	563,130	539,200	515,538	-23,662	-4.39%	***596,892***	81,354	15.78%	57,692	10.70%
Operating Expenses											
Instruction	0	0	0	0	0		***0***	0		0	
Research	0	0	0	0	0		***0***	0		0	
Public Service	660,296	650,517	536,600	510,627	-25,973	-4.84%	***596,892***	86,265	16.89%	60,292	11.24%
Academic Support	0	0	0	0	0		***0***	0		0	
Student Services	0	0	0	0	0		***0***	0		0	
Institutional Support	0	0	0	0	0		***0***	0		0	
Plant Maintenance	0	0	0	0	0		***0***	0		0	
Scholarships	0	0	0	0	0		***0***	0		0	
Total E&G Expenses	660,296	650,517	536,600	510,627	-25,973	-4.84%	***596,892***	86,265	16.89%	60,292	11.24%
Auxiliary Enterprises	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	660,296	650,517	536,600	510,627	-25,973	-4.84%	***596,892***	86,265	16.89%	60,292	11.24%
Excess Revenue over Expenses	-8,835	-87,387	2,600	4,911	2,311	88.88%	***0***	-4,911	-100.00%	-2,600	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	18,822	300	0	0	0		***0***	0		0	
Borrowing Proceeds	-6,867	0	0	0	0		***0***	0		0	
Principal Payments	2,674	2,338	2,600	1,855	-745	-28.65%	***0***	-1,855	-100.00%	-2,600	-100.00%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	14,629	2,638	2,600	1,855	-745	-28.65%	***0***	-1,855	-100.00%	-2,600	-100.00%
Net Cash Basis Budget	-23,464	-90,025	0	3,056	3,056		***0***	-3,056	-100.00%	0	

Glen Helen

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues	651,461	563,130	539,200	515,538	-23,662	-4.39%	***596,892***	81,354	15.78%	57,692	10.70%
Operating Expenses											
Salaries & Wages	330,696	347,831	269,546	262,024	-7,522	-2.79%	***302,859***	40,835	15.58%	33,313	12.36%
Benefits	112,560	100,373	90,195	68,552	-21,643	-24.00%	***90,741***	22,189	32.37%	546	0.61%
Training & Development	10,558	7,851	2,800	7,500	4,700	167.86%	***4,550***	-2,950	-39.33%	1,750	62.50%
Student Aid Services	0	0	0	0	0		***0***	0		0	
Special Events	767	0	0	0	0		***0***	0		0	
Supplies	55,559	60,382	53,450	54,961	1,511	2.83%	***56,700***	1,739	3.16%	3,250	6.08%
Business Operations	56,770	58,438	34,100	43,781	9,681	28.39%	***41,300***	-2,481	-5.67%	7,200	21.11%
Plant Maintenance	84,787	66,570	69,440	63,527	-5,913	-8.52%	***76,072***	12,545	19.75%	6,632	9.55%
Interest Expense	124	108	0	50	50		***70***	20	40.00%	70	
Resale Costs	7,249	7,567	8,500	7,832	-668	-7.86%	***7,000***	-832	-10.62%	-1,500	-17.65%
Miscellaneous	1,226	1,397	1,300	2,400	1,100	84.62%	***1,600***	-800	-33.33%	300	23.08%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		***0***	0		0	
Campus Contingency, Discretionary	0	0	7,269	0	-7,269	-100.00%	***16,000***	16,000		8,731	120.11%
Liquidity Reserve	0	0	0	0	0		***0***	0		0	
Overhead											
To the University	0	0	0	0	0		***0***	0		0	
Rebates form the University	0	0	0	0	0		***0***	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		***0***	0		0	
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0		***0***	0		0	
Depreciation	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	660,296	650,517	536,600	510,627	-25,973	-4.84%	***596,892***	86,265	16.89%	60,292	11.24%
Excess Revenue over Expenses	-8,835	-87,387	2,600	4,911	2,311	88.88%	***0***	-4,911	-100.00%	-2,600	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	18,822	300	0	0	0		***0***	0		0	
Borrowing Proceeds	-6,867	0	0	0	0		***0***	0		0	
Principal Payments	2,674	2,338	2,600	1,855	-745	-28.65%	***0***	-1,855	-100.00%	-2,600	-100.00%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	14,629	2,638	2,600	1,855	-745	-28.65%	***0***	-1,855	-100.00%	-2,600	-100.00%
Net Cash Basis Budget	-23,464	-90,025	0	3,056	3,056		***0***	-3,056	-100.00%	0	

ANTIOCH NEW ENGLAND GRADUATE SCHOOL
2000-01 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

Antioch New England's budget narrative for 2000-01 is presented below. Our budget planning exercise typically engages all primary budget managers in the Graduate School -- all academic department heads, administrative unit heads, and the directors of our three primary grant/contract units -- the Antioch Psychological Services Center, Education by Design™, and the Antioch New England Institute. The President's Planning and Advisory Council works with individual budget managers to assess operating unit and institutional needs and also seeks input from standing and *ad hoc* work groups who are looking at specific needs in the areas of marketing, technology and student services. As a result of this comprehensive exercise, budgetary priorities are established and funding decisions are made.

From almost every perspective, including the critical variable of new student matriculants into our degree programs, Antioch New England Graduate School's 1999-2000 experience was highly positive. Supporting "evidence" for that assessment may be found in the highlights that are covered in the meetings of the Antioch New England Campus Committee. This presentation will focus exclusively on matters related to the 2000-01 budget.

In 1999-2000, Antioch New England was successful in countering the problematic fiscal picture which emerged during 1998-99. As a reminder and as information to new readers, a brief historical perspective may be helpful. A year ago (1998-99), we were faced with an approximate 36 FPE shortfall, or the dollar equivalent of approximately $435,000, because we simply did not meet our new student projections. Beyond the difficulty of bringing in a balanced budget in 1998-99, we also faced a huge hole (translation: greatly diminished "carry forward" of tuition dollars) for 1999-2000. This problem was exacerbated by the fact that we implemented a new tuition schedule in June 1999 which eliminated the past practice of "front loading" tuition payments, a factor which further reduced the tuition and fee income (by approximately $150,000) that could be projected for 1999-2000. We developed some aggressive, but realistic, projections for new student matriculants and still were in a position of submitting for 1999-2000 a budget which requested ULC and Board of Trustee support for the up front use of funded reserves (as a substitute for the eventual release of the budgeted contingency in order to provide salary increases and cover some essential costs related to strengthening our technological infrastructure).

In 1999-2000, overall we hit our new student enrollment targets: 373 new matriculants entered, a 17% increase over 1998-99 and our best year in this regard since 1994-95. The one negative fiscal reality for 1999-2000 is that attrition increased to 9%, 1% above the budgeted target and historical level of 8%. While we anticipate balancing our 1999-2000 budget on June 30, the increased attrition has put some annoying constraints on the operating budget for the current year. A significant percentage of the attrition, however, can be attributed to the fact that this is the fourth year of our Ph.D. program in Environmental Studies, and we discovered that a number of students went on interim status because they were not yet ready to tackle the dissertation. This will be factored into subsequent budgets now that we have some history with this relatively new program. The 2000-01 Tuition and Fees projection was constructed with the following assumptions: There is a difference of approximately $800,00 between projected "actual" tuition and fees for 1999-2000 and projected tuition and fees for 2000-01. (Please note that third-party contracts which provide tuition payments for student participants have been reassigned from Tuition and Fees to the Contract line in both the 1999-2000 budget and 2000-01 so we are comparing "apples to apples" in this presentation):

(a) "carry forward" revenues from continuing students (47 more FTE students studying in 2000-01 than in 1999-2000 at an average yearly tuition of $7,765) yields $365,000 in 1999-2000 dollars;

(b) a somewhat conservative, but certainly realistic, projection of newly matriculating students in 2000-01;

(c) realization of "lost" revenue from the second year of the new tuition schedule's implementation yields $125,000 not included in (a) above;

(d) an approximate tuition increase in the 3.3% - 3.5% range, depending on program provides a net yield of $310,00); and

(e) a projected 9% attrition factor.

II. KEY BUDGETARY PRIORITIES FOR 2000-01

Priority One – Compensation We see a need to provide Core faculty and staff with a salary and benefit package increase in the 4.5 - 5% range (cost of living plus an increase in the cost of medical premiums) and a raise pool of 4% for Associate and Adjunct faculty who have not had any raise for the past four years. The rationale here is simple: our salaries are quite low and it is difficult to compete in a tight labor market; we are moving to a 10% premium share on health coverage next January which makes it tough on people at the lower end of the pay scale; and we need to demonstrate commitment to our loyal employees, some of whom easily recall the fact that we could not give raises in 1998-99. **Total increase for Priority One = $250,000.**

Priority Two - Position Replacement and Full Staffing While some of this actually will take place prior to June 30, 2000, we need to fill four positions that currently are or will be vacant: one faculty position in the Department of Clinical Psychology; one faculty position in the Department of Education; one reference librarian; and one staff member in the Business Office. **Total increase for Priority Two, not included within the 1999-2000 budget = $100,000.**

Priority Three - Fund Development From a staffing perspective, we believe that we have the basic fundraising infrastructure in place: a Director of Development; a Director of the Annual Fund and Alumni/ae Affairs; an administrative assistant; two persons in publications and public relations; a part-time graphic designer; and significant work-study support. The budget for this priority dovetails with the marketing and visibility budget (see below), but we have identified a need to increase operational expense for travel, entertainment, expanded alumni events, professional training, etc. from its current level of $22,000. **Total increase for Priority Three, excluding personnel costs = $3,000.**

Priority Four - Academic Program Development and Innovation Program development funding is also partially lodged in the Fund 2 - Restricted category and it must be pointed out that much of the program development and innovation activity comes from that source, not allocated to the operating budget from tuition and fee revenue sources (i.e., we are looking at the feasibility of adding Environmental Advocacy as a track within our master's programming in environmental studies; presently that program development/innovation work is being funded via grants that total roughly $40,000). **No additional allocation to Priority Four for 2000-01.**

Priority Five - Visibility and Marketing Costs here continue to escalate as the work and activities of the Graduate School proliferate. Funds here are spent on publications of all kinds (catalogs, brochures, newsletters, flyers, an environmental journal, reports, cards, etc.); advertisements (radio and print); World Wide Web management; design; etc. Beyond increased demands and the customary inflationary expenses, we anticipate this budget to increase substantially over the $200,000 allocated this year. **Total increase for Priority Five, excluding personnel costs = $20,000.**

Priority Six – Technology While we have yet to see the final recommendations of the University Task Force on Technology, we did take some major steps in 1999-2000 to address some important infrastructure issues, especially in light of the requirement that students have access to a computer and the Internet: (a) outsourcing of the First Class E-mail operation; (b) reassignment of a faculty member to direct the educational technology component of our operation and oversee the technical management of the World Wide Web (responsibility for training, student orientation, distance learning initiatives, etc.); (c) job reengineering for a highly computer literate staff member to direct computer support services for students; (d) continued employment of someone to assist in the Datatel transition and programming efforts for admissions and registrarial functions; and (e) technical upgrades to a moderate expenditure level. Excluding the academic computing, which is connected to the delivery of library services, currently we have 4.2 FTE personnel plus the outsource as our technological personnel infrastructure. Though not quite adequate, we intend to keep it at that level for 2000-01. We do, however, continually need to upgrade hardware and software, expand licenses, etc. With the changes made during 1999-2000 incorporated into the 2000-01 budget, **Total Allocation to Priority Six, $323,00, a net increase of $101,000 over the allocation in the 1999-2000 budget. ($18,000 of capital expense, including lease for computers, is in the capital budget.)**

Priority Seven - Capital Improvements The final budget priority for 2000-01 is in the area of capital improvements. There are three key projects which need attention and we believe that we have the operating resources to address them. First, the main parking lot has two cracks which need to be filled and the entire lot needs to be sealed and striped at an estimated cost of $5,500. The West Wing of the building which houses the expanded Antioch Psychological Services Center needs to have its roof replaced. We have known this fact for some time, and it seems prudent to tackle the problem now, before we find ourselves in a position where there is serious damage (estimated replacement cost is $35,000). At the present time, we have not allocated funds from the operating or capital budget to repair the roof. However, we may do so via the operating budget if the admissions picture improves, use of a campus-based contingency (see below), use of the mandatory contingency, or the use of the funded reserves. Each of these capital projects ought to be done in the summer 2000. (Again, this critical priority underscores the incredible pressure that has been put on campuses because the unfunded reserves continue to remain largely unfunded after eight years of what was presented as immediate hope -- it makes it really impossible to plan!) **Total increase for Priority Seven = $5,500. (Capital budget also includes principal payment on building, library books and journals, and computer lease.)**

Goes Without Saying Priority - Mandatory Expense Increases $9,800 for University Faculty Conference; $15,000 for additional mandatory contingency; and $9,500 for additional mandatory liquidity reserve. This budget also contains a Discretionary Campus Contingency of $36,000 which may be used to address equity issues, roof repair, etc.

At this point in time, we believe that this 2000-01 budget presentation is viable and does begin to address, though modestly in all cases, critical needs of Antioch New England Graduate School. Certainly the budgetary picture at this time is considerably brighter than it appeared one year ago, for we have a substantially enhanced, and realistic, revenue picture on the horizon.

Jim Craiglow
President

Antioch New England Graduate School

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues											
Tuition & Fees	8,224,966	8,318,253	8,306,440	8,062,133	-244,307	-2.94%	***8,870,495***	808,362	10.03%	564,055	6.79%
Less Tuition Discounts	-60,399	-56,680	-40,000	-78,176	-38,176	-95.44%	***0***	78,176	100.00%	40,000	100.00%
Gifts	31,600	38,584	41,000	131,621	90,621	221.03%	***102,028***	-29,593	-22.48%	61,028	148.85%
Grants	468,511	773,186	830,000	745,439	-84,561	-10.19%	***993,095***	247,656	33.22%	163,095	19.65%
Endowment Income	0	0	0	0	0		***0***	0		0	
Contracts	208,858	421,698	250,000	568,550	318,550	127.42%	***186,973***	-381,577	-67.11%	-63,027	-25.21%
Other Income	80,223	145,216	57,700	291,483	233,783	405.17%	***164,503***	-126,980	-43.56%	106,803	185.10%
Total E&G Revenue	8,953,759	9,640,257	9,445,140	9,721,050	275,910	2.92%	***10,317,094***	596,044	6.13%	871,954	9.23%
Auxiliary Enterprises	0	0	0	0	0		***0***	0		0	
Released From Restrictions	307,207	358,100	268,000	223,218	-44,782	-16.71%	***156,199***	-67,019	-30.02%	-111,801	-41.72%
Total Revenues	9,260,966	9,998,357	9,713,140	9,944,268	231,128	2.38%	***10,473,293***	529,025	5.32%	760,153	7.83%
Operating Expenses											
Instruction	4,255,288	4,121,495	4,239,619	4,148,695	-90,924	-2.14%	***4,355,809***	207,114	4.99%	116,190	2.74%
Research	0	0	0	0	0		***0***	0		0	
Public Service	424,196	889,840	761,000	967,037	206,037	27.07%	***834,610***	-132,427	-13.69%	73,610	9.67%
Academic Support	425,710	442,012	430,792	519,456	88,664	20.58%	***608,515***	89,059	17.14%	177,723	41.25%
Student Services	531,638	583,540	594,691	580,246	-14,445	-2.43%	***605,477***	25,231	4.35%	10,786	1.81%
Institutional Support	2,292,495	2,276,697	2,524,042	2,439,590	-84,452	-3.35%	***2,861,805***	422,215	17.31%	337,763	13.38%
Plant Maintenance	724,079	713,060	704,996	708,143	3,147	0.45%	***684,577***	-23,566	-3.33%	-20,419	-2.90%
Scholarships	353,202	435,987	423,000	453,545	30,545	7.22%	***339,000***	-114,545	-25.26%	-84,000	-19.86%
Total E&G Expenses	9,006,608	9,462,631	9,678,140	9,816,712	138,572	1.43%	***10,289,793***	473,081	4.82%	611,653	6.32%
Auxiliary Enterprises		0	0		0			0		0	
Total Operating Expenses	9,006,608	9,462,631	9,678,140	9,816,712	138,572	1.43%	***10,289,793***	473,081	4.82%	611,653	6.32%
Excess Revenue over Expenses	254,358	535,726	35,000	127,556	92,556	264.45%	***183,500***	55,944	43.86%	148,500	424.29%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	234,027	521,004	105,000	119,039	14,039	13.37%	***98,500***	-20,539	-17.25%	-6,500	-6.19%
Borrowing Proceeds	0	0	0	0	0		***0***	0		0	
Principal Payments	70,000	75,000	80,000	80,000	0	0.00%	***85,000***	5,000	6.25%	5,000	6.25%
Prior Year Reserves	-49,669	-60,278	-150,000	-71,483	78,517	52.34%	***0***	71,483	100.00%	150,000	100.00%
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	254,358	535,726	35,000	127,556	92,556	264.45%	***183,500***	55,944	43.86%	148,500	424.29%
Net Cash Basis Budget	0	0	0	0	0		***0***	0		0	

Antioch New England Graduate School

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	9,260,966	9,998,357	9,713,140	9,944,268	231,128	2.38%	10,473,293	529,025	5.32%	760,153	7.83%
Operating Expenses											
Salaries & Wages	4,535,279	5,097,104	5,067,478	5,220,533	153,055	3.02%	5,256,094	35,561	0.68%	188,616	3.72%
Benefits	1,334,148	1,265,337	1,368,852	1,351,395	-17,457	-1.28%	1,492,771	141,376	10.46%	123,919	9.05%
Training & Development	362,124	251,838	202,481	335,176	132,695	65.53%	277,468	-57,708	-17.22%	74,987	37.03%
Student Aid Services	19,585	45,462	48,000	59,729	11,729	24.44%	19,000	-40,729	-68.19%	-29,000	-60.42%
Special Events	12,130	16,830	10,910	10,829	-81	-0.74%	12,050	1,221	11.28%	1,140	10.45%
Supplies	244,041	182,615	182,205	175,467	-6,738	-3.70%	199,744	24,277	13.84%	17,539	9.63%
Business Operations	879,482	959,845	953,854	994,732	40,878	4.29%	1,005,819	11,087	1.11%	51,965	5.45%
Plant Maintenance	288,825	317,641	312,025	328,852	16,827	5.39%	324,250	-4,602	-1.40%	12,225	3.92%
Interest Expense	441,149	432,941	429,075	426,570	-2,505	-0.58%	425,367	-1,203	-0.28%	-3,708	-0.86%
Resale Costs	0	0	0	0	0		0	0		0	
Miscellaneous	51,583	79,027	105,625	33,329	-72,296	-68.45%	33,386	57	0.17%	-72,239	-68.39%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	164,383	0	-164,383	-100.00%	179,530	179,530		15,147	9.21%
Campus Contingency, Discretionary	0	0	0	0	0		36,000	36,000		36,000	
Liquidity Reserve	79,947	102,262	102,739	102,739	0	0.00%	112,206	9,467	9.21%	9,467	9.21%
Overhead											
To the University	973,515	993,374	1,054,645	1,054,645	0	0.00%	1,154,392	99,747	9.46%	99,747	9.46%
Rebates form the University	-277,000	-313,415	-364,332	-364,332	0	0.00%	-417,279	-52,947	-14.53%	-52,947	-14.53%
Subsidy from Adult Campuses	61,800	61,000	60,200	60,200	0	0.00%	59,800	-400	-0.66%	-400	-0.66%
Subsidy from Overhead	0	0	0	0	0		0	0		0	
Other (Intercampus Agree & Univ Conf)	0	-29,230	-20,000	32,613	52,613	263.07%	119,195	86,582	265.48%	139,195	695.98%
Depreciation	0	0	0	0	0			0		0	
Total Operating Expenses	9,006,608	9,462,631	9,678,140	9,822,477	144,337	1.49%	10,289,793	467,316	4.76%	611,653	6.32%
Excess Revenue over Expenses	254,358	535,726	35,000	121,791	86,791	247.97%	183,500	61,709	50.67%	148,500	424.29%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	234,027	521,004	105,000	113,274	8,274	7.88%	98,500	-14,774	-13.04%	-6,500	-6.19%
Borrowing Proceeds	0	0	0	0	0		0	0		0	
Principal Payments	70,000	75,000	80,000	80,000	0	0.00%	85,000	5,000	6.25%	5,000	6.25%
Prior Year Reserves	-49,669	-60,278	-150,000	-71,483	78,517	52.34%	0	71,483	100.00%	150,000	100.00%
Add back Depreciation	0	0	0	0	0		0	0		0	
Total Cash Items	254,358	535,726	35,000	121,791	86,791	247.97%	183,500	61,709	50.67%	148,500	424.29%
Net Cash Basis Budget	0	0	0	0	0		0	0		0	

ANTIOCH NEW ENGLAND GRADUATE SCHOOL
2000-01 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
New England	Sealing & Striping Parking Lot	5,500
	Total Building Improvements	5,500
Campus	**Equipment**	**Amount**
New England	Computer Equipment	18,000
	Total Equipment	18,000
Campus	**Furniture & Fixtures**	**Amount**
	Total Furniture & Fixtures	0
Campus	**Library Books**	
New England	Library Books	75,000
	Total Library Books	75,000
	Grand Total Capital Budget	**98,500**
		========

ANTIOCH NEW ENGLAND
Tuition Rate Changes 2000-01

Program	Start Term	Term	1999-00 Rate	2000-01 Rate	% Change
Applied Psychology Department					
Dance & Movement Therapy Certificate	Fall	All	$4,000	$4,200	5.00%
Dance & Movement Therapy MA	Fall	All	$5,500	$5,700	3.64%
Counseling Psychology MA	Fall	Fall, Spring	$5,100	$5,300	3.92%
		Summer	$3,200	$3,300	3.13%
	Spring	Spring		$3,400	
	Summer	Summer	$2,100	$2,500	19.05%
Marriage & Family Therapy MA	Summer	Fall, Spring	$5,100	$5,300	3.92%
		Summer	$2,100	$2,500	19.05%
Clinical Psychology Psy.D.		Fall, Spring	$8,750	$9,000	2.86%
		Summer	$3,700	$3,800	2.70%
		Fall, Spring	$7,000	$7,200	2.86%
Environmental Studies Department					
Environmental Studies MS		Fall, Spring	$4,700	$4,900	4.26%
		Summer	$3,200	$3,300	3.13%
Resource Management & Administration MS		Fall, Spring	$4,700	$4,900	4.26%
		Summer	$3,200	$3,300	3.13%
Environmental Studies MS w Certification		Fall, Spring	$4,700	$4,900	4.26%
		Summer	$3,200	$3,300	3.13%
Environmental Studies Ph.D.		Summer	$3,100	$3,200	3.23%
		Fall, Spring	$6,200	$6,400	3.23%
		Summer	$2,200	$2,300	4.55%
		Fall, Spring	$4,100	$4,300	4.88%

Program	Start Term	Term	1999-00 Rate	2000-01 Rate	% Change
Education Department - Waldorf Programs					
Waldorf Certificate		All	$3,200	$3,400	6.25%
Waldorf 3+2 Certificate		Spring	$2,400	$2,600	8.33%
		Summer	$2,800	$2,900	3.57%
Waldorf MEd year round		Fall, Spring	$4,700	$4,900	4.26%
		Summer	$2,800	$2,900	3.57%
Waldorf MEd Summer Sequence		Fall, Spring	$2,400	$2,600	8.33%
		Summer	$2,800	$2,900	3.57%
Education Department - Integrated Learning					
Intergrated Learning MEd		Fall, Spring	$4,700	$4,900	4.26%
		Summer	$3,200	$3,300	3.13%
Education Department - Experienced Educator					
Experienced Educators MEd (5 semester)		All	$2,600	$2,800	7.69%
Experienced Educators MEd (4 semester)		All	$3,200	$3,400	6.25%
Organization & Management					
OM Weekend MEd/MHSA	Spring	Fall, Spring	$4,700	$4,900	4.26%
		Summer	$3,200	$3,300	3.13%
OM Weekend MEd/MHSA -	Fall	Fall, Spring	$3,600	$3,800	5.56%
		Summer	$3,200	$3,300	3.13%
OM Weekend MS	Fall, Spring	Fall, Spring	$4,700	$4,600	-2.13%
		Summer	$3,200	$4,600	43.75%

ANTIOCH SEATTLE
2000-01 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

For our actual budget performance this year, we are estimating 8 FPE fewer students than our 1999-00 projections resulting in about a $160,000 reduction in projected tuition revenue. The balance in the mix of student enrollments influenced negatively the tuition revenue this year. Our three highest-priced programs (Management, Psychology, and Whole Systems Design) came in with lower than projected enrollments that, in turn, were compensated by increased FTE in the Education and new BATC Programs, two of our lower tuition programs. However, other sources of revenue are better than we originally projected and with the use of our reserves and contingency funds we will present a balanced budget at the end of this year.

Antioch University Seattle is submitting a budget for next year that we consider conservative (while indicating enrollment growth) and responsible. It provides for increased reserve funding and needed capital improvement. The Budget and Planning Council, which is composed of all program directors, Deans, faculty, staff, and student representatives, guided our budget process. This is the Council's second year of operation and it has a good track record based on the budget proposal it recommended to the President in 1999-00. The Council heard compensation proposals from both staff and faculty committees and a student personnel proposal from the Student Services Council. The Academic Dean worked with the individual academic programs and units on budget issues and all Deans presented their recommendations to the Council.

While the last two years of enrollment figures at Antioch Seattle have seen an overall increase, many of our programs have not met their projections. Our enrollment projections for next year are conservative despite showing an increase over both last year's projection (109 FPE) and this year's anticipated actual performance (116.4 FPE). The conservatism is based on projecting stable or decreasing enrollments in the programs that had difficulty the past few years. Whole Systems Design is projected at 7.4 FPE below this year's anticipated performance. Psychology and Management are projected flat when compared to this year's anticipated enrollments and significantly below last year's projections. The growth in FPE is in our successful site-based MA Education program and the new Bachelor's in Liberal Studies and

Teacher Certification (BATC) program. The BATC alone is projected at 93.3 FPE and that combined with the increase in the site-based education program accounts for 132 FPE growth in our overall enrollment. Our continuing education initiative predicts a decrease in enrollments because of the new standards imposed by the state and its effect on how teachers acquire on-going training.

Highlights of the increase in tuition revenue for AUS between the projected actual for 1999-2000 and the rojections for 2000-01 can be explained as follows. $308,727 of the new revenue is from the tuition increase. The new initiative, Bachelor of Arts w/Teacher Certification accounts for $809,448 in new revenue with the tuition increase included. Expansion of the MA in Education site based program is projected to produce an additional $300,280. Incremental growth in the BA completion program will add an additional $105,800. Smaller growth in total revenue generated is also noted in Psychology (due to the tuition increase), Environment and Community SWO, and OSR. The programs that are projecting less revenue next year (even with a tuition increase) are: Teacher Certification, Teacher Certification MA,WSD, HRD, Corporate Leadership, E & C Limited Residency. The Management Program is projecting nearly flat revenue after the Tuition Increase.

We are proposing a general 4% increase in tuition, but in reality the effect upon students and programs operates in a range of a 0% to 4.35% increase. The range reflects our continued movement toward a tuition schedule that is more linear and provides for the cost per unit within a program to be the same no matter the number of credit hours enrolled by a student.

Our University Relations Office continues to show improvement in our fund development and annual fund campaign efforts.

The four areas of priority the Council identified for the 2000-01 year are (1) salaries and compensation, (2) enhanced student services, (3) marketing and recruitment, and (4) fund raising. These four areas are in keeping with our campus strategic plan and coincide with the five areas identified by Chancellor Hall as priorities for the University.

II. STRATEGIC UNIVERSITY PRIORITIES

Strengthen faculty and staff compensation We are recommending a 3.6% general raise in compensation for all staff and administrators, which is an actual 3.0% increase in salary. The faculty body has also requested that we address some internal salary inequity issues that have resulted from a couple of years when faculty were not advanced on the salary schedule because of the inability of the institution to give any raises. Consequently, the faculty salary pool translates into a 3.7% salary raise and a 4.5% total compensation raise. In addition, we continue to make snail-like progress in trying to move toward more competitive adjunct salaries by increases their compensation $50/course.

Our longer-term plan for strengthening salary and compensation involves a fairly bold model for revenue sharing built on a growth. We are proposing to both faculty and staff that they become partners in campus growth through the sharing of some portion of future increases in revenues. The plan will involve defining a reference group of institutions that participate in the CUPA annual salary survey to establish our relative position. Once the salary benchmarks are established we will propose a four-year plan for improving our position relative to the reference group. The portion of increased revenue set aside for compensation will have correction factors for inflation as well as increases in overhead.

In keeping with our strategic plan in "retaining and valuing quality employees," we are funding a staff and faculty diversity-training program, a formal employee recognition program, an ergonomic study for staff, and community-building teas.

Building fund development at every campus Since Fall 1997, Seattle has steadily increased its investment in fund development. We currently have a Dean of University Relations, whose major responsibility rests in the area of fund development, and a Director of Advancement, whose responsibility is managing the annual fund and minimal alumni relations support. We also have a .5 FTE graphics person. We approved a staff support position for the University Relations Office effective January 2000; however, the position has been delayed until July because of revenue shortages. As of July 2000 we will have 3.0 FTE in this area, but it is important to recognize that these positions also cover alumni relations, publications, community/corporate relations, government relations, fund development, and media relations. The increase is this area as a result of the staff increase will be approximately $35,000.
If the fund development grant proposed by the University Administration becomes a reality, we will hire a full-time alumni relations and events planning person. The addition of the fourth FTE will provide us with the staffing required to make our fund raising and visibility efforts successful.

Strengthening Antioch regional and national visibility and marketing The responsibility for visibility and market rests with both the University Relations Office and the Admissions Office. In an attempt to be as efficient as possible, we are increasing the staff of the University Relations Office by .5 FTE and adding that to the current open graphics position to create a new full-time position responsible for publications, web page content, and media. Publications is an area that has been sorely neglected at Antioch Seattle and with the increase demand for Web page content, staffing in this area is a must. We plan to outsource the graphics work.

In Admissions we are adding another recruitment position to cover off-site recruitment and admissions in the new BATC and MAED sites. In addition we are increasing the advertisement budget from $75,850 to $110,850. Next year is our 25th Anniversary and to cover numerous celebratory events and activities we are budgeting $18,000.

In total, we are increasing our allocations for visibility and marketing by approximately $103,000 with $60,000 in 1.5 FTE staffing, $25,000 in advertising, and $18,000 for anniversary events.

Academic program development and innovation Our major enrollment growth next year will be the result of expanding our new BATC program to four cohorts and increase our MAED sites from four to six cohorts. These will increase the head count of those two initiatives by 120. However, the development of those programs will call for increased faculty and operational expenses in both areas by a total of $535,000+. We are considering two new off-campus Teacher Certification sites. If these develop, they will require an increased investment to cover faculty and operational costs.

We will begin offering some BA on-line courses in collaboration with Southern California, but we currently do not look for that initiative to have a direct effect upon our enrollments. The $35,000 invested in this collaborative effort comes from University innovation funds.

The four programs of Management, Whole Systems Design including its Organizational System Renewal program, Human Resource Development, and Environment and Community are being brought together into one system tentatively named the "Center for Sustainable Systems." Our current strategy is to unite the budgets of all of these programs to create the Center's first budget. However, we know that there is a need to enhance the 2000-01 budget of the Center in order to attract a quality director and provide venture capital for potential contracts and educational services. We will have to obtain this money from gifts, most likely from alumni and friends who are supportive and excited about the Center's concept. We estimate an enhancement need for our first year of at least $100,000. We have also applied for a $15,000 grant from the University Innovation Fund to assist in marketing the new Centers and the expected new curriculum initiatives. However, much of the additional financial support will depend on how successful Dr. Mary Marcy and I are in soliciting gifts. The reorganization is an attempt to stop the enrollment leakage in all of these programs and prevent the potential termination of two of the programs.

We have reserved $10,000 in the Academic Dean's budget to address professional development and potential growth in the academic computing/technology area and an additional $10,000 to fund any efforts or consulting needed to prepare us for our accreditation self-study process. The budget reflects an increase in the salary for the new Academic Dean to replace the current, lower paid interim person.

Begin to implement the recommendations of the Technology Task Force We are increasing our technology staff to 3.0 FTE to increase support for Web maintenance and provide some minimal training to faculty and staff. In addition, we have set aside faculty funds the past two years for a person to work with faculty on gearing-up for Internet usage and course development, but these funds have been frozen because of budget complications. We hope that this next year we can move ahead in this area of technology.

Last year we increased funding for computer and software acquisition to a total of $70,000. We are increasing this by $10,000 which is dedicated mostly to software acquisition. Our Technology Round Table has recently reviewed an assessment of our individual desk computers. It appears we need to replace about 40% of our computers to bring all faculty up to basic standards for doing Internet research. Short of some creative financing or University-wide purchasing, it may be difficult to replace that many machines in this budget year. Our long-term goal is to establish a replacement cycle of three to four years.

III. OTHER PRIORITIES

Strategic objectives in Seattle's five-year plan not incorporated in the five University-wide priorities include enhancing our student services, diversifying our financial base and reserves, and continued improvement of our physical environment to attract and retain students. Below is an explanation of the strides we are making in these areas for the 2000-01 academic year.

Enhanced student services The topic of enhancing our student services has surfaced in the Planning and Budget Council as a priority expressed by students who feel that their voice is not represented in the administration and that their needs are not being met in various areas within the institution. The history of Antioch Seattle has been that individual programs have provided what little student services are offered beyond the registrar, financial aid, admissions, and student accounts. In fact, most of the service provided in the programs has been in advising with the exception of teacher education and psychology providing some intern placement services. Issues around career counseling and placement, child care, student governance, student newspaper, counseling, health services, student grievance and affirmative action and minority affairs, to mention a few, have either not been provided or provided in a sporadic manner through the years. Our inability to provide some of these services continues to be raised in student complaints.

We have yet to determine the best solution to address student service needs on an adult campus. The Student Service Council has proposed the creation of a new Dean of Student Services or the establishment of at least some position that would focus on student needs. However, there is no unanimity of opinion around this particular solution. Consequently, we are performing an in-depth needs assessment during the first part of next year. We will then develop a plan to address the priorities that student designate over the next three to four years.

The librarian is being moved to a full-time position. The position was increased from a half-time position last year to a three-quarter position and needs to be increased to full-time this year. The increase of 1 FTE in technology support will also assist in providing technological services and training to students.

The work-load in our student accounts area has doubled over the last six years. Therefore, we are adding an additional .5 FTE to this office to better serve students. We are also increasing the FTE of the part-time assistant in our bookstore and staffing in our Registrar's Office. One other area where students are showing greater need is in career workshops and we are increasing the number provided by hiring career consultants.

The whole area of student outcomes assessment has also taken on a priority at the Seattle campus. Last year I funded a 25% faculty position to start evaluating and designing our campus' approach to outcomes assessment. This year we are bolstering our efforts by increasing the faculty position to half-time, provide a graduate student as a research assistant for the faculty member, and provide funds from the President's budget for professional development of faculty in this area.

Diversifying our financial base to support institutional excellence and innovation One means of diversifying our financial base and increasing the fiscal health of our campus is our increased efforts and success in fund raising. We will be increasing our projected revenue in annual giving from $20,000 to $40,000 and our 25th Anniversary will provide us with an opportunity to initiate an annual scholarship endowment event. In addition, we are increasing the President's fund reserve from $36,315 last year to $155,959 this year, which will provide for an emergency or to cushion a failure to meet our projected enrollments. We will be seeing new revenue from having all of our tenant space leased and from the implementation of new education programs.

Improving our physical environment We are positioning ourselves to move ahead with plans to renovate 4200 square feet of space that was recaptured when our previous tenant went bankrupt. The primary needs we hope to address are moving the admissions staff and University Relations staff to a more accessible and centralized location, improving our technology teaching center, creating offices for our computing staff, adding two new classrooms and two new seminar rooms, and expanding the space for the library. Funding for this improvement will need to be borrowed. If by January our financial and enrollment picture look healthy, our current plan is to use the President's reserve fund as a down payment on the construction loan. A very preliminary estimate for the renovations is $350,000. In addition, our operating budgets will need to account for increased utility and cleaning expenses of $10,800.

We are placing $50,000 in the newly formed capital improvement fund as a start to build reserves to, literally, prepare for that rainy day when the roof has to be totally resurfaced. The last estimate we received was about $500,000. Our plan is to continue to put a minimum of $50,000/year in this fund to help defer the eventual cost of this capital improvement. This budget also includes funds to pay for the costs associated with paying for our new phone and voice mail systems.

Toni Murdock
President

Antioch Seattle

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues											
Tuition & Fees	7,085,708	7,054,518	8,027,204	7,821,463	-205,741	-2.56%	9,057,442	1,235,979	15.80%	1,030,238	12.83%
Less Tuition Discounts	-59,353	-57,126	-86,700	-81,892	4,808	5.55%	-68,000	13,892	16.96%	18,700	21.57%
Gifts	6,928	23,065	20,000	29,506	9,506	47.53%	40,000	10,494	35.57%	20,000	100.00%
Grants	158,522	168,179	189,641	153,041	-36,600	-19.30%	270,474	117,433	76.73%	80,833	42.62%
Endowment Income	0	0	0	1,500	1,500		0	-1,500	-100.00%	0	
Contracts	67,919	26,120	10,000	2,340	-7,660	-76.60%	0	-2,340	-100.00%	-10,000	-100.00%
Other Income	202,816	223,656	188,765	239,717	50,952	26.99%	266,300	26,583	11.09%	77,535	41.07%
Total E&G Revenue	7,462,540	7,438,412	8,348,910	8,165,675	-183,235	-2.19%	9,566,216	1,400,541	17.15%	1,217,306	14.58%
Auxiliary Enterprises	250,786	275,075	285,000	331,879	46,879	16.45%	334,500	2,621	0.79%	49,500	17.37%
Released From Restrictions	65,095	40,427	7,000	64,690	57,690	824.14%	0	-64,690	-100.00%	-7,000	-100.00%
Total Revenues	7,778,421	7,753,914	8,640,910	8,562,244	-78,666	-0.91%	9,900,716	1,338,472	15.63%	1,259,806	14.58%
Operating Expenses											
Instruction	3,377,932	3,374,420	3,412,450	3,347,023	-65,427	-1.92%	4,067,021	719,998	21.51%	654,571	19.18%
Research	0	0	0	0	0		0	0		0	
Public Service	109	761	0	768	768		0	-768	-100.00%	0	
Academic Support	391,862	275,594	336,456	303,858	-32,598	-9.69%	417,264	113,406	37.32%	80,808	24.02%
Student Services	547,792	611,789	751,813	720,318	-31,495	-4.19%	776,325	56,007	7.78%	24,512	3.26%
Institutional Support	1,942,423	1,960,690	2,552,770	2,300,761	-252,009	-9.87%	2,889,957	589,196	25.61%	337,187	13.21%
Plant Maintenance	826,264	794,329	875,257	939,575	64,318	7.35%	902,238	-37,337	-3.97%	26,981	3.08%
Scholarships	165,087	197,245	181,641	149,613	-32,028	-17.63%	250,474	100,861	67.41%	68,833	37.90%
Total E&G Expenses	7,251,469	7,214,828	8,110,387	7,761,916	-348,471	-4.30%	9,303,279	1,541,363	19.86%	1,192,892	14.71%
Auxiliary Enterprises	242,294	262,307	270,823	320,823	50,000	18.46%	334,437	13,614	4.24%	63,614	23.49%
Total Operating Expenses	7,493,763	7,477,135	8,381,210	8,082,739	-298,471	-3.56%	9,637,716	1,554,977	19.24%	1,256,506	14.99%
Excess Revenue over Expenses	284,658	276,779	259,700	479,505	219,805	84.64%	263,000	-216,505	-45.15%	3,300	1.27%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	1,968,557	59,606	139,500	214,243	74,743	53.58%	133,000	-81,243	-37.92%	-6,500	-4.66%
Borrowing Proceeds	-1,647,883	0	0	0	0		0	0		0	
Principal Payments	100,000	110,000	120,200	120,000	-200	-0.17%	130,000	10,000	8.33%	9,800	8.15%
Prior Year Reserves	-136,016	0	0	0	0		0	0		0	
Add back Depreciation		0	0	0	0		0	0		0	
Total Cash Items	284,658	169,606	259,700	334,243	74,543	28.70%	263,000	-71,243	-21.31%	3,300	1.27%
Net Cash Basis Budget	0	107,173	0	145,262	145,262		0	-145,262		0	

Antioch Seattle

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	7,778,421	7,753,914	8,640,910	8,562,244	-78,666	-0.91%	***9,900,716***	1,338,472	15.63%	1,259,806	14.58%
Operating Expenses											
Salaries & Wages	3,660,270	3,872,617	4,129,699	3,989,423	-140,276	-3.40%	***4,980,026***	990,603	24.83%	850,327	20.59%
Benefits	877,708	924,645	1,058,158	980,885	-77,273	-7.30%	***1,208,595***	227,710	23.21%	150,437	14.22%
Training & Development	194,663	134,643	153,050	193,050	40,000	26.14%	***167,072***	-25,978	-13.46%	14,022	9.16%
Student Aid Services	105,629	87,310	58,729	52,199	-6,530	-11.12%	***56,072***	3,873	7.42%	-2,657	-4.52%
Special Events	50,531	30,654	58,150	38,284	-19,866	-34.16%	***68,350***	30,066	78.53%	10,200	17.54%
Supplies	164,392	119,652	116,640	123,650	7,010	6.01%	***137,617***	13,967	11.30%	20,977	17.98%
Business Operations	590,811	530,773	530,347	713,820	183,473	34.59%	***590,164***	-123,656	-17.32%	59,817	11.28%
Plant Maintenance	301,139	212,240	264,827	254,641	-10,186	-3.85%	***313,939***	59,298	23.29%	49,112	18.54%
Interest Expense	528,056	603,979	606,531	611,102	4,571	0.75%	***599,190***	-11,912	-1.95%	-7,341	-1.21%
Resale Costs	202,230	218,489	215,300	265,503	50,203	23.32%	***270,300***	4,797	1.81%	55,000	25.55%
Miscellaneous	45,366	9,959	15,598	18,759	3,161	20.27%	***18,173***	-586	-3.12%	2,575	16.51%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	145,262	0	-145,262	-100.00%	***157,352***	157,352		12,090	8.32%
Campus Contingency, Discretionary	0	0	187,496	0	-187,496	-100.00%	***205,959***	205,959		18,463	9.85%
Liquidity Reserve	99,028	90,644	108,946	108,946	0	0.00%	***118,014***	9,068	8.32%	9,068	8.32%
Overhead											
To the University	840,234	830,907	998,673	998,673	0	0.00%	***1,089,472***	90,799	9.09%	90,799	9.09%
Rebates form the University	-229,154	-262,705	-317,996	-317,996	0	0.00%	***-393,379***	-75,383	-23.71%	-75,383	-23.71%
Subsidy from Adult Campuses	44,400	48,000	51,800	51,800	0	0.00%	***50,800***	-1,000	-1.93%	-1,000	-1.93%
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	18,460	25,328	0	0	0		***0***	0		0	
Depreciation	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	7,493,763	7,477,135	8,381,210	8,082,739	-298,471	-3.56%	***9,637,716***	1,554,977	19.24%	1,256,506	14.99%
Excess Revenue over Expenses	284,658	276,779	259,700	479,505	219,805	84.64%	***263,000***	-216,505	-45.15%	3,300	1.27%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	1,968,557	59,606	139,500	214,243	74,743	53.58%	***133,000***	-81,243	-37.92%	-6,500	-4.66%
Borrowing Proceeds	-1,647,883	0	0	0	0		***0***	0		0	
Principal Payments	100,000	110,000	120,200	120,000	-200	-0.17%	***130,000***	10,000	8.33%	9,800	8.15%
Prior Year Reserves	-136016	0	0	0	0		***0***	0		0	
Add back Depreciation		0	0	0	0		***0***	0		0	
Total Cash Items	284,658	169,606	259,700	334,243	74,543	28.70%	***263,000***	-71,243	-21.31%	3,300	1.27%
Net Cash Basis Budget	0	107,173	0	145,262	145,262		***0***	-145,262		0	

ANTIOCH SEATTLE
2000-01 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
Seattle	ADA Compliance, Misc	10,000
	Lobby Lighting	12,000
	Total Building Improvements	22,000
Campus	**Equipment**	**Amount**
Seattle	Computer Equipment	69,000
	Audio Visual Equipment	12,000
	Computer Instruction Cart	10,000
	Total Equipment	91,000
Campus	**Furniture & Fixtures**	**Amount**
Seattle	Classroom Chairs	20,000
	Total Furniture & Fixtures	20,000
Campus	**Library Books**	
	Total Library Books	0
	Grand Total Capital Budget	**133,000**
		========

Antioch Seattle
Tuition Rate Changes 2000-01

Program		1999-00 Rates	2000-01 Proposed	% Change
--------		--------	--------	--------
BA Completion	Per Credit	335	335	0.00%
	Half Time	2,010	2,010	0.00%
	Full Time	3,540	3,660	3.39%
	Overload Add cre	295	305	3.39%
	Non Matriculated	335	335	0.00%
BA Teachers Certificate	Per Credit		260	
	Half Time		1,560	
	Full Time		3,120	
	Overload Add credit		260	
	Non Matriculated		260	
Psychology	Per Credit	360	360	0.00%
	Half Time	1,440	1,440	0.00%
	Full Time	2,760	2,880	4.35%
	Overload Add cre	345	360	4.35%
	Non Matriculated	360	360	0.00%
Whole System Design	Per Credit	360	366	1.67%
	Half Time	1,440	1,464	1.67%
	Full Time	2,816	2,928	3.98%
	Overload Add cre	352	366	3.98%
	Non Matriculated	360	366	1.67%
Management	Full Time	4,050	4,215	4.07%
	(Monthly Rate)	1,350	1,405	4.07%
Corporate Leadership	Full Time		3,900	

Program		1999-00 Rates	2000-01 Proposed	% Change
--------		--------	--------	--------
Education	Per Credit	340	340	0.00%
	Half Time	1,360	1,360	0.00%
	Full Time	2,240	2,328	3.93%
	Overload Add cre	280	291	3.93%
	Non Matriculated	340	340	0.00%
	Site Based	1,980	2,060	4.04%
Education/Teacher Cer	Full Time	3,400	3,540	4.12%
Education/TC MA	Per Credit	410	426	
	Half Time	1,640	1,704	3.90%
	Full Time	3,280	3,408	3.90%
	Overload Add cre	410	426	3.90%
Organization Systems Ren				
Northwest	Full Time	3,682	3,682	0.00%
Midwest	Full Time	3,682	3,682	0.00%
Environment & Community LRO				
Cohort 1 & 2	Part Time	2,042	2,042	0.00%
Cohort 4 (Win '98)	Part Time	2,165	2,165	0.00%
Cohort 4 (Win '99)	Part Time	2,250	2,250	0.00%
Cohort 5	Part Time	2,500	2,500	0.00%
Cohort 6	Part Time		2,600	
Environment & Community SWO				
	Per Credit	355	366	3.10%
	Half Time	1,420	1,464	3.10%
	Full Time	2,840	2,928	3.10%
	Overload Add cre	355	366	3.10%
	Non Matriculated	355	366	3.10%

ANTIOCH SOUTHERN CALIFORNIA
2000-01 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

1999-2000 was a good year, fiscally speaking, for AUSC. That's "good" not "great," but good is good enough in the context of the poor performances several years ago.

According to our revenue projections generated after the March 2000 monthly close, we will finish this fiscal year with a positive balance of about $70,000 and perhaps as much as $100,000. (The spread is a function of how much in restricted funding can be allocated in the next two months to the FY operating budget.) All of the ponderables are accounted for in this projection; there are a few imponderables that remain in both income (actual LA/MFA enrollment for June 2000) and expenses (anticipated and unanticipated purchasing needs, particularly for urgent technology issues). But we think this is a solid statement of where we will be at year's end -- which does not mean we will not persist in our vigilance. Stamping out luxury and extravagance are the ever-present goals (though, truth be told, at AUSC as in much of Antioch, we're so thrifty I'm not sure we'd know opulence if we saw it) -- all kidding aside, the AUSC community has excelled in keeping expenses under control and they have my unbounded gratitude.

In summing up this year, there are a few variances that require scrutiny:

- The LA Psychology Program was approximately $400,000 below projected tuition income. *This is a matter for alarm and I have directed the Program Chairpersons to address the issues associated with this shortfall as a high priority.*

- Our new bookstore in LA did not produce the anticipated income, falling about $32,600 short. However, expenses were also under budget by roughly the same amount. We will scrutinize this auxiliary enterprise closely in the next year.

- Serious questions about its financial viability led us to question continuing the Antioch University Counseling Center, a major community outreach effort in LA. The Center's director has come up with a reasonable approach to fiscal sustainability for next year; under scrutiny, it will remain open, and we hope prosper, though we have retained the possibility of closure depending on success of the current plans.

- Questions continue about how to handle information technology in the region. We overspent our budget by two-thirds ($60,000 beyond the $90,000 budgeted) in LA and kept to budget, by delaying fulfilling needs, in SB. We do not have this area under control and it should be. We are examining options for hiring in place of LA outsourcing, but are not sure if that will result in better quality service and cost efficiencies. It's a quandary.

Other budget areas were quite within the range of acceptability and, in the case of tuition-based programs other than LA Psychology, we are extremely proud of the staff and faculty whose Herculean efforts helped us to exceed the annual projections in most cases. Indeed, all programs were above projections with the exception of SB MAOM (down 8%). (To our delighted surprise, LA MAOM was up by 66%!) The regional Teacher Education/MA was down in its LA cohort numbers (24 budgeted; 10.73 actual) for the year, but this is not a worry at this point because it was due to start-up anomalies (only a month to recruit in Spring 1999).

The other highlight this year has been in personnel arrivals and departures at the leadership level.

Laurien Alexandre, formerly the regional Academic Dean, and Laura Pelligrini, the regional Human Resources Director, left their positions this year. We decided, as part of our continuing reorganization, not to replace them with regional officers. Matt Bentley in LA and Linda Hackett in SB have filled in with remarkable ability in the human resources area, and they will have major roles after reorganization. I took on the title of Acting Academic Dean after Laurien's departure in September 1999, and I will be charitable to myself by characterizing my soon-to-end deanship as unremarkable yet able given the plethora of other responsibilities.

Donna Starr and Richard Whitney changed titles and roles in SB. Donna will leave the regional Dean for Administration and Finance position to become SB Executive Dean and SB MAOM Chairperson. Richard moves from half-time

Associate Academic Dean to full-time SB Academic Dean. These are definitely good moves, already producing major benefits.

Chloe Reid joined us in February as LA Executive Dean and has been an excellent addition to my team.

We are concluding searches for regional Chief Fiscal Officer, LA Academic Dean, and the President's Executive Assistant. We have strong candidates for all positions and I hope to be able to announce these appointments at the June 2000 Board meeting.

II. 1999-2000 GOALS AND OBJECTIVES

Our proposed budget for 2000-01 reaches the $10,000,000 benchmark, an increase of about $800,000 over the budget for 1999-2000 and approximately $1,000,000 above 1999-2000 projected actuals.

The bulk of this increase in revenue is projected in program growth -- modest increases in growth in all programs, except for Teacher Education, with significant additional income from cohort expansion, and in LA Psychology, with a decline projected from the previous year. *We are projecting conservatively in all programs and we can anticipate stronger performance than budgeted.* But we are adopting a prudent approach to financial planning as we ascertain how accurate we can be in enrollment projections. We have been gratified by how accurate we have been in this fiscal year, with the exception of the unanticipated LA Psychology decline.

Additional 2000-01 income comes from an increase in tuition which amounts to a 3.6-4.4% for all programs.

There will be small but important increases in facilities. We have added a suite in LA for the regional offices and will be adding additional space in SB to accommodate program expansion. We have abandoned our plan to move to a new building in SB since conditions in our current building have changed and we can sublet or lease all needed additional space for the next five to ten years.

A significant regional goal is to establish a full-fledged development office. To do this, we plan to redefine several current positions and hire a Chief Development Officer in January 2000. Foundation, major donor and grant development activities will accelerate over the course of the year.

Program development continues. We press on to build upon recent initiatives in the Community Humanities Education and California Community Internet Institute programs and a nascent long-term institutional relationship with Compton Community College. Religion and Public Life, Critical Media Studies, and continuing education, including distance learning, are areas we are exploring for credit and non-credit initiatives. These will not have an impact on the budget for next year, most likely, but will have a future impact which will be significant.

To buttress our international component, I have been exploring relationships with a Brazilian university and the Ministries of Higher Education in Vietnam and Cuba. These are still in their infancy, but I anticipate exciting possibilities with these areas and others in the next year.

III. ULC Strategic Planning Budget Priorities at Antioch University Southern California

In this section, I will link specific increases in allocations to the five strategic planning budget priorities identified by ULC for special attention in 2000-01.

A. Strengthen Faculty and Staff Compensation

- An across-the-board salary increase for the region: 4% for those earning less than $50,000; 2% for those earning more than $50,000.
- Substantial increases in the pay rate for adjunct faculty at both campuses in all programs.
- Mandated University-paid increases in medical benefit costs.

B. Building Fund Development at Every Campus

- Addition of a position for a Chief Development Officer at the regional level to begin January 2000.
- Clerical support for the Development Office and Fiscal Office.

- Executive Assistant position for the President's Office.
- Hiring a part-time alumni assistant for SB.

C. Academic Program Development and Innovation

- Newly-created LA Academic Dean position.
- Clerical support for the LA Academic Dean and Executive Dean.
- Budget increase for the Teacher Education/MA program (core faculty, adjunct faculty, operating expenses).
- Creation of a 50% position for the Registrar staff.

D. Strengthen Antioch Regional and National Visibility and Marketing

- Creation of a new regional Program Development position.
- Increase in the publication schedule for our newsletter from two to four times a year.

E. Begin To Implement Recommendations of the Technology Taskforce

- Funding of an on-line library for LA.
- Additional funding of technical support for academic computing.
- Allocation of capital budget to computer purchases as possible.

Mark Schulman
President

Antioch Southern California
2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees	7,439,528	7,821,333	9,286,332	8,934,518	-351,814	-3.79%	9,920,400	985,882	11.03%	634,068	6.83%
Less Tuition Discounts	-182,975	-194,981	-212,100	-213,623	-1,523	-0.72%	-212,100	1,523	0.71%	0	0.00%
Gifts	11,705	65,820	97,500	107,000	9,500	9.74%	87,500	-19,500	-18.22%	-10,000	-10.26%
Grants	238,306	200,424	263,500	263,500	0	0.00%	257,500	-6,000	-2.28%	-6,000	-2.28%
Endowment Income	0	0	0	0	0		0	0		0	
Contracts	0	0	0	0	0		0	0		0	
Other Income	17,526	13,842	35,550	9,663	-25,887	-72.82%	13,300	3,637	37.64%	-22,250	-62.59%
Total E&G Revenue	7,524,090	7,906,438	9,470,782	9,101,058	-369,724	-3.90%	10,066,600	965,542	10.61%	595,818	6.29%
Auxiliary Enterprises	561	119,913	230,000	197,400	-32,600	-14.17%	200,152	2,752	1.39%	-29,848	-12.98%
Released From Restrictions	64,118	132,682	159,000	140,000	-19,000	-11.95%	144,030	4,030	2.88%	-14,970	-9.42%
Total Revenues	7,588,769	8,159,033	9,859,782	9,438,458	-421,324	-4.27%	10,410,782	972,324	10.30%	551,000	5.59%
Operating Expenses											
Instruction	2,877,836	2,899,988	3,612,262	3,453,137	-159,125	-4.41%	3,738,819	285,682	8.27%	126,557	3.50%
Research	0	0	0	0	0		0	0		0	
Public Service	84,175	95,614	106,603	51,489	-55,114	-51.70%	89,289	37,800	73.41%	-17,314	-16.24%
Academic Support	500,821	617,397	760,097	661,495	-98,602	-12.97%	798,735	137,240	20.75%	38,638	5.08%
Student Services	1,040,449	961,452	1,112,595	1,146,488	33,893	3.05%	1,213,634	67,146	5.86%	101,039	9.08%
Institutional Support	2,007,239	2,098,537	2,515,310	2,358,127	-157,183	-6.25%	2,832,939	474,812	20.14%	317,629	12.63%
Plant Maintenance	1,136,581	1,121,661	1,219,440	1,228,957	9,517	0.78%	1,260,004	31,047	2.53%	40,564	3.33%
Scholarships	251,712	201,924	271,000	227,844	-43,156	-15.92%	265,500	37,656	16.53%	-5,500	-2.03%
Total E&G Expenses	7,898,813	7,996,573	9,597,307	9,127,537	-469,770	-4.89%	10,198,920	1,071,383	11.74%	601,613	6.27%
Auxiliary Enterprises	0	113,165	230,000	197,400	-32,600	-14.17%	184,862	-12,538	-6.35%	-45,138	-19.63%
Total Operating Expenses	7,898,813	8,109,738	9,827,307	9,324,937	-502,370	-5.11%	10,383,782	1,058,845	11.35%	556,475	5.66%
Excess Revenue over Expenses	-310,044	49,295	32,475	113,521	81,046	249.56%	27,000	-86,521	-76.22%	-5,475	-16.86%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	38,516	49,295	32,475	45,000	12,525	38.57%	27,000	-18,000	-40.00%	-5,475	-16.86%
Borrowing Proceeds	0	0	0	0	0		0	0		0	
Principal Payments	0	0	0	0	0		0	0		0	
Prior Year Reserves	-92,203	0	0	0	0		0	0		0	
Add back Depreciation	0	0	0	0	0		0	0		0	
Total Cash Items	-53,687	49,295	32,475	45,000	12,525	38.57%	27,000	-18,000	-40.00%	-5,475	-16.86%
Net Cash Basis Budget	-256,357	0	0	68,521	68,521		0	-68,521	-100.00%	0	

Antioch Southern California

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues	7,588,769	8,159,033	9,859,782	9,438,458	-421,324	-4.27%	***10,410,782***	972,324	10.30%	551,000	5.59%
Operating Expenses											
Salaries & Wages	3,903,729	3,960,231	4,641,716	4,456,315	-185,401	-3.99%	***5,192,437***	736,122	16.52%	550,721	11.86%
Benefits	812,557	870,178	1,054,160	918,424	-135,736	-12.88%	***1,136,874***	218,450	23.79%	82,714	7.85%
Training & Development	147,803	232,456	284,279	245,833	-38,446	-13.52%	***195,493***	-50,340	-20.48%	-88,786	-31.23%
Student Aid Services	89,834	64,341	75,800	65,000	-10,800	-14.25%	***77,155***	12,155	18.70%	1,355	1.79%
Special Events	34,426	24,194	57,010	94,574	37,564	65.89%	***31,510***	-63,064	-66.68%	-25,500	-44.73%
Supplies	120,152	181,077	157,148	245,667	88,519	56.33%	***198,508***	-47,159	-19.20%	41,360	26.32%
Business Operations	722,589	751,295	1,006,985	1,075,633	68,648	6.82%	***919,405***	-156,228	-14.52%	-87,580	-8.70%
Plant Maintenance	1,183,403	1,126,567	1,170,203	1,144,705	-25,498	-2.18%	***1,220,173***	75,468	6.59%	49,970	4.27%
Interest Expense	18,390	26,754	13,150	14,835	1,685	12.81%	***11,750***	-3,085	-20.80%	-1,400	-10.65%
Resale Costs	0	94,734	190,000	160,000	-30,000	-15.79%	***146,000***	-14,000	-8.75%	-44,000	-23.16%
Miscellaneous	7,024	3,520	2,015	1,375	-640	-31.76%	***1,516***	141	10.25%	-499	-24.76%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	183,058	0	-183,058	-100.00%	***177,430***	177,430		-5,628	-3.07%
Campus Contingency, Discretionary	0	0	100,039	0	-100,039	-100.00%	***121,744***	121,744		21,705	21.70%
Liquidity Reserve	78,064	89,688	103,718	103,718	0	0.00%	***110,894***	7,176	6.92%	7,176	6.92%
Overhead											
To the University	993,908	949,170	1,140,897	1,140,897	0	0.00%	***1,219,831***	78,934	6.92%	78,934	6.92%
Rebates form the University	-271,066	-325,147	-406,271	-395,439	10,832	2.67%	***-440,779***	-45,340	-11.47%	-34,508	-8.49%
Subsidy from Adult Campuses	58,000	54,200	53,400	53,400	0	0.00%	***55,200***	1,800	3.37%	1,800	3.37%
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	0	6,480	0	0	0		***8,641***	8,641		8,641	
Depreciation	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	7,898,813	8,109,738	9,827,307	9,324,937	-502,370	-5.11%	***10,383,782***	1,058,845	11.35%	556,475	5.66%
Excess Revenue over Expenses	-310,044	49,295	32,475	113,521	81,046	249.56%	***27,000***	-86,521	-76.22%	-5,475	-16.86%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	38,516	49,295	32,475	45,000	12,525	38.57%	***27,000***	-18,000	-40.00%	-5,475	-16.86%
Borrowing Proceeds	0	0	0	0	0		***0***	0		0	
Principal Payments	0	0	0	0	0		***0***	0		0	
Prior Year Reserves	-92203	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	-53,687	49,295	32,475	45,000	12,525	38.57%	***27,000***	-18,000	-40.00%	-5,475	-16.86%
Net Cash Basis Budget	-256,357	0	0	68,521	68,521		***0***	-68,521	-100.00%	0	

ANTIOCH SOUTHERN CALIFORNIA
2000-01 Capital Budget

Campus	**Buildings**	**Amount**
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
	Total Building Improvements	0
Campus	**Equipment**	**Amount**
Southern CA	Computer Equipment	27,000
	Total Equipment	27,000
Campus	**Furniture & Fixtures**	**Amount**
	Total Furniture & Fixtures	0
Campus	**Library Books**	
	Total Library Books	0
	Grand Total Capital Budget	**27,000**
		========

Antioch Southern California
Tuition Rate Changes 2000-01

Program	1999-00 Rates Per Quarter	2000-01 Proposed Per Quarter	% Change
Los Angeles - BA Program	3,400	3,550	4.41%
Los Angeles - MAP & MAOM	3,550	3,700	4.23%
Los Angeles - MFA Program	4,200	4,350	3.57%
Los Angleles - Teacher Cert	3,400	3,550	4.41%
Santa Barbara - BA Program	3,250	3,400	4.62%
Santa Barbara - MAP Progra	3,400	3,550	4.41%
Santa Barbara - MAOM Prog	3,400	3,550	4.41%
Santa Barbara - Teacher Ce	3,400	3,550	4.41%

THE McGREGOR SCHOOL
2000-01 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

Fiscal 2000 marks the first year in The McGregor School's history operating with both a President and an Academic Dean. While the projected revenues did not meet expenses, The School was able to come in with a balanced budget. This is due to cutting back on expenses in all areas of operation. This narrative will note that one program is ahead of projections – Teacher Education. The other area of noticeable strength is continuing education, with growth in the Educational Leadership Seminar Series (ELSS). This program served almost 800 Miami Valley teachers during this academic year.

Highlights of the current year include the Ohio Board of Regents approval of the Master degree in Education (M.Ed.). We have successful recruitment underway for the first M.Ed. class of 22 students. Another new development is the approval from the Ohio Department of Education for Principalship Licensure. In effect, a student can earn the M.Ed. then continue on for principal certification. Once the learner has two years teaching experience, the certification becomes official.

The School stabilized enrollment within the Weekend College, which now has fourteen competitors in the region. To assist in the undergraduate enrollment at McGregor, a strong articulation policy was finalized with Sinclair Community College (over 20,000 students) in December. This should result in an even greater transfer program from Sinclair.

The University review of the Individualized Master of Arts (IMA) was completed, resulting in significant improvements in quality and delivery. The redesign of the Conflict Resolution program created a transition from an individualized program to a course-based, technology enhanced program.

As indicated above, growth is strong in continuing education. In addition to ELSS, McGregor created an ongoing partnership with the Ohio Department of Rehabilitation and Corrections, resulting in two very successful seminars offered during the current year to individuals who teach inmates in the system. The Board of Trustees approved a Masters of

Correction Education, for which the continuing education credits are a feeder. We have also contracted for our second year with The Public Television Outreach Association (PTOA) for a summer continuing education seminar ($50,000).

Challenges

Projected revenue for fiscal 2000 is $5,170,750, which is $371,227 (6.7%) less than budget. Projections include $35,000 released from restriction from the Lovelace Education Fund. This decrease is primarily due to less than budgeted enrollment in the Graduate Management, IMA Self-Design, and Conflict Resolution. This revenue shortfall will be countered by reductions in expense as detailed in the following section (Expense Reductions).

There is continued increase in competition from other colleges and universities in the local area for the Weekend College, Graduate Management and distance providers for several programs, including the IMA. As will be noted in next year's budget narrative, plans are underway to meet the competition head on.

With the introduction of a new president, several areas of weakness were targeted for improvement. This included the Fiscal Office, and Public Relations, specifically. The School now has a new Chief Financial and Administrative Officer with over fifteen years experience as a CPA. Her leadership helped us build a very realistic budget for the upcoming year. Where the past had "hopeful" numbers, this budget is closer, as possible, to what is likely to take place in enrollments.

The School never had a professional development officer. The former individual assigned to this area was also responsible for public relations and alumni relations. This person left for another position, and the office is going to be transformed next year to more realistically and aggressively meet our needs.

Another continuing challenge for The McGregor School is facilities. Our adult learners are often displeased with the campus environment in Yellow Springs. They demand a more sophisticated, modern environment, which is well maintained and responsive to their needs. The small liberal arts atmosphere, with older facilities is a definite obstacle to our growth. There is sometimes a confusion of identity, which hurts McGregor's enrollment. Further, a demographic analysis of our learners shows a very small percentage from Yellow Springs, which limits our marketing to a broader base of potential students downtown or in the suburbs. If we are to grow, as we believe is possible, this issue will have to be addressed in the very near future.

EXPENSE REDUCTIONS

Because it was unlikely that revenue could be significantly increased during this fiscal year, apart from some additional continuing education course offerings, The McGregor School administrative team performed a detailed analysis of existing budgeted expenses in order to identify areas wherein budgeted expenses could be reduced.

The following adjustments to the fiscal 2000 budget have been made to compensate for the revenue shortfall:

Campus Contingency Fund	$ 96,524
Funded Reserves	99,907
Salary & benefit expense reductions	102,200
Non-salary expense reductions	73,110
Total adjustments	$ 371,741
	=========

II. 2000-01 ENROLLMENT AND REVENUE PROJECTIONS

REVENUE

Revenue is budgeted at 6.1% above the fiscal 2000 budget, which includes an overall tuition increase of 3%. Our major growth areas overall during the next budget period are in continuing education and teacher certification. Some additional adjustments were made in the tuition for the IMA Self-Design program so that evaluators were paid by the school rather than directly by the students. We have also added a technology fee so that we can upgrade our IT services to students.

I. Weekend College - Program activity is budgeted at 3.5% less than the fiscal 2000 budget. The responsibility for undergraduate management faculty and students has been transferred to the Graduate Management program, directed by Michael Robinson. The former director, Fay Volenik, has been named the Executive Assistant to the President and will be responsible for generating growth in The McGregor School's continuing education program. Jane Brown has been named the new director of the Weekend College.

- ❖ Teacher's Certification – This program represents our largest growth area in The School in the next fiscal year, with a fall goal of 79 new certification students. This will be the final year that we offer certification.

- ● Master's in Education – On March 24 we received official word from the Ohio Board of Regents that our proposed M.Ed. program had been approved. The number of students in this program will more than triple in the next fiscal year due to this program approval and our addition of the Principal's Certificate program.

- ● Conflict Resolution – Eight new students have enrolled this spring. The program will now admit only one cohort a year, which will maximize our revenue, decrease expenses and will be more manageable for faculty. Many of CR students will be registered to tuition maintenance in the next year as they are working on their theses.

- ❖ Intercultural Relations – We are continuing discussions on how the breadth of this program can be refocused to a more targeted group.

- ● Graduate Management – The undergraduate and graduate management education programs have been merged for a trial period. The newly formed Graduate Management Program Advisory Committee, consisting of Graduate Management alumni and adjunct faculty members, are developing student recruitment strategies for the next year. With co-director Rosemary Hartigan's departure, former co-director Michael Robinson has assumed the directorship of the program.

EXPENSES

- ● Overall, salaries and wages increased 3.1% over the fiscal 2000 budget. Of the total, 0.5% is related to salary increases for represented (union) employees, who are scheduled to receive a 3.5% across the board increase on July 1, 2000. Equity increases for selected employees account for 1.9% of the increase. The remainder is related to a 2% across-the-board salary increase for administrative staff and faculty who were not given equity adjustments. Additional equity increases and a 1% across-the-board increase (retroactive to July 2000) are included in the discretionary contingency and will be given if revenue generation is greater than anticipated.

- The benefit expense decrease is attributable to changes in the costs of some benefits from that budgeted in fiscal 2001.

- Other expenses increased $207,807 (20.6%). More than $109,000 of this increase is related to student vouchers, which are used to pay evaluators who were formerly paid directly by the students; revenue in the IMA area was increased to cover this expense. Other components of the increase include: GLCA tuition ($32,000), honoraria/stipends for increased course offerings ($43,000), advertising and purchased services related to student recruitment ($32,000), increased technology-related costs of $21,000 (covered by revenue generated by the technology fee) and subscriptions and publications ($5,000, all covered by private contract funds). These expense increases are partially offset by decreased professional development costs of $46,500.

- A discretionary contingency of $125,900 has been added to the budget for fiscal 2001. A breakdown of the major components of this amount is $61,500 for salary and wage increases (including equity increases), $44,400 for professional development and $20,000 for depreciation expenses. These amounts will only be spent if revenue generation is greater than anticipated.

UNIVERSITY STRATEGIC PLAN GOALS

A. <u>Strengthen Faculty and Staff Compensation</u> Meeting this goal is a priority for everyone preparing the Fiscal 2001 budget. After determining ways to reduce many expenses, we were able to include several equity adjustments and a general 2% raise for faculty and administrators in the budget package. If funds are available, another one percent will be given in January (retroactive to July 1). While we strongly believe our faculty and administrators should receive a higher increase, the revenue projected will not provide for greater increases. Our represented staff receives a 3.5% increased based on the union contract.

B. <u>Building Fund Development at Every Campus</u> The vacancy left in the Director of Public Relations position, coupled with an agreement to cut the overhead by one percent to the College this year, helps us to fill a new position, which will be dedicated to development and alumni relations. The position will be responsible for database updates, the Annual Fund and maintenance of alumni relations. There are sufficient funds to hire a person with strong qualifications for this level. In the future, we hope to allocate additional funds for a Director of Development position.

C. **Academic Program Development and Innovation** The position of Director of Continuing Education has been vacant for nearly a year. We have used this position to create an Executive Assistant to the President who will handle new program development, continuing education and grants. Fay Volenik, current Director of The Weekend College, will move into this position.

Plans are underway to strengthen and build upon existing programs. In the works is the new Master of Corrections Education program. We are awaiting formal contractual arrangements with The Ohio Department of Rehabilitation and Corrections to guarantee sufficient enrollments for program success.

Future growth in The Weekend College will be fueled by the new Liberal Studies major, which will provide science, math, and social science foundations mandated by The State of Ohio for students seeking to enter the teacher licensure program beginning in 2001-2002.

The Graduate Management Program, now merged with the undergraduate program, will take many of its courses online during the upcoming year. A track will be added for Community College Management, aimed at educating the thousands of individuals who are in management positions without formal training in that field. We are working with leading community colleges in the country to develop this program and to date each college contacted has been extremely encouraging about the prospects for enrollments.

The exponential growth in Teacher Education, coupled with the new principalship credential, will allow us to add continuing education courses for administrators some time during the upcoming year.

We are currently studying our partnership with the Intercultural Communications Institute in Portland to determine whether the arrangement is fiscally sound, or if we need to offer the Intercultural Relations master on our own. The Conflict Resolution master continues to find strength in partnerships and is likely to grow in the upcoming year.

Strengthen Antioch Regional and National Visibility and Marketing Good marketing begins at home. The President is spending a great deal of time in the community raising the profile of our programs and The School. As the Board of Visitors increases in size and scope, more community relations will result. This must be our first priority.

However, we do have a presence on the national level. The President was recently interviewed for *The Chronicle of Higher Education* on the topic of distance learning. She continues to speak nationally on the topic of information technology. Our faculty is present as speakers and leaders in their respective associations, as funds allow for travel. We are in the second year of a continuing education affiliation with the Public Broadcasting Outreach Association. Finally, we believe our online courses will bring a lot of positive attention to the University as they are built over the next few years.

Begin to Implement Recommendations of the Technology Task Force The McGregor School is making a very sound contribution to the Technology Task Force. Plans are underway to participate in an Ohio bond effort that will bring much needed technology to The School. We will upgrade our service to students through better labs, improved communications systems and the development of online courses. We are adding a Microsoft Office User Specialist (MOUS) to our staff to train employees, assist students and help in the development of online courses. We believe this is an area in which McGregor can be of great service to the University.

II. EFFORTS TO INCREASE ENROLLMENTS AND REVENUE

Many of the efforts to increase enrollments and revenue are described above in the strategic plan section. The McGregor School plan (*Values, Vision, Ventures*) will outline many new strategies for increasing enrollment. Our key focus will be program improvement, the growth of continuing education, adding the community college track to the Graduate Management Program, continued addition of online courses and programs, increased use of the Web for recruitment and major new investments in technology to meet learner (and employee) needs.

III. MAJOR CHANGES FROM THE 1999-2000 BUDGET

As previously noted, a concerted effort was made in seeking to set realizable revenue targets. A 3% tuition increase was included as a hedge against increasing costs. While some programs have seen a downturn in student enrollment, we believe that the growth in the Teacher Education areas and additional continuing education and online offerings will more than offset these declines.

We have undertaken detailed analyses of all expenses in the proposed budget for 2000-01 and have developed a priority list of areas that will be funded if revenue targets are exceeded. The prioritization was developed collaboratively by members of the President's Council and acknowledged the interests of The McGregor School community. Although reducing expenses to a reasonable level was quite challenging, special attention was given to ensuring that program delivery was not compromised by the decisions made. We believe that the salary raises and equity adjustments are a good start; the delay in funding professional development is going to be trying, especially for faculty.

CONCLUSION

While this budget is very tight, it begins to bring The McGregor School to the level playing field we need to begin to move forward. It is built upon the principal that realistic numbers are far better than those that are "hopeful." We do believe strongly in the future of the campus and its positive impact on the University. We will need to seriously study the facilities issue, as growth may be severely limited in the current environment. However we stand ready to look ahead and expect the collaborative team at The School will have a good year in 2000-01.

Barbara Gellman-Danley
President

The McGregor School of Antioch
2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees	4,712,931	4,761,827	5,273,582	4,910,000	-363,582	-6.89%	5,592,733	682,733	13.90%	319,151	6.05%
Less Tuition Discounts	-14,138	-45,151	0	-51,300	-51,300		-51,283	17	0.03%	-51,283	
Gifts	250	8,205	20,000	11,235	-8,765	-43.83%	20,000	8,765	78.02%	0	0.00%
Grants	72,575	110,460	67,625	75,400	7,775	11.50%	14,000	-61,400	-81.43%	-53,625	-79.30%
Endowment Income	0	0	0	0	0		0	0		0	
Contracts	122,998	113,397	102,000	214,100	112,100	109.90%	110,000	-104,100	-48.62%	8,000	7.84%
Other Income	16,783	45,067	18,770	11,300	-7,470	-39.80%	13,160	1,860	16.46%	-5,610	-29.89%
Total E&G Revenue	4,911,399	4,993,805	5,481,977	5,170,735	-311,242	-5.68%	5,698,610	527,875	10.21%	216,633	3.95%
Auxiliary Enterprises	47,542	32,275	45,000	30,000	-15,000	-33.33%	7,320	-22,680	-75.60%	-37,680	-83.73%
Released From Restrictions	-10,544	-11,973	15,000	35,000	20,000	133.33%	0	-35,000	-100.00%	-15,000	-100.00%
Total Revenues	4,948,397	5,014,107	5,541,977	5,235,735	-306,242	-5.53%	5,705,930	470,195	8.98%	163,953	2.96%
Operating Expenses											
Instruction	2,144,096	2,272,854	2,341,456	2,258,000	-83,456	-3.56%	2,411,405	153,405	6.79%	69,949	2.99%
Research	0	0	0	0	0		0	0		0	
Public Service	124,190	111,436	189,726	123,400	-66,326	-34.96%	151,228	27,828	22.55%	-38,498	-20.29%
Academic Support	127,919	159,320	146,668	146,000	-668	-0.46%	100,000	-46,000	-31.51%	-46,668	-31.82%
Student Services	700,098	735,251	726,043	707,200	-18,843	-2.60%	754,441	47,241	6.68%	28,398	3.91%
Institutional Support	1,554,819	1,626,758	1,941,711	1,903,476	-38,235	-1.97%	2,164,356	260,880	13.71%	222,645	11.47%
Plant Maintenance	84,724	89,284	90,816	90,000	-816	-0.90%	108,500	18,500	20.56%	17,684	19.47%
Scholarships	6,965	11,954	17,500	17,566	66	0.38%	11,000	-6,566	-37.38%	-6,500	-37.14%
Total E&G Expenses	4,742,811	5,006,857	5,453,920	5,245,642	-208,278	-3.82%	5,700,930	455,288	8.68%	247,010	4.53%
Auxiliary Enterprises	60,043	60,574	60,500	60,000	-500	-0.83%	5,000	-55,000	-91.67%	-55,500	-91.74%
Total Operating Expenses	4,802,854	5,067,431	5,514,420	5,305,642	-208,778	-3.79%	5,705,930	400,288	7.54%	191,510	3.47%
Excess Revenue over Expenses	145,543	-53,324	27,557	-69,907	-97,464	-353.68%	0	69,907	100.00%	-27,557	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	95,526	64,932	45,000	30,000	-15,000	-33.33%	137,400	107,400	358.00%	92,400	205.33%
Borrowing Proceeds	0	0	0	0	0		-137,400	-137,400		-137,400	
Principal Payments	0	0	0	0	0		0	0		0	
Prior Year Reserves	0	-118,256	-17,443	-99,907	-82,464	-472.76%	0	99,907	100.00%	17,443	100.00%
Add back Depreciation	0	0	0	0	0		0	0		0	
Total Cash Items	95,526	-53,324	27,557	-69,907	-97,464	-353.68%	0	69,907	100.00%	-27,557	-100.00%
Net Cash Basis Budget	50,017	0	0	0	0		0	0		0	

The McGregor School of Antioch

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	4,948,397	5,014,107	5,541,977	5,235,735	-306,242	-5.53%	***5,705,930***	470,195	8.98%	163,953	2.96%
Operating Expenses											
Salaries & Wages	2,173,360	2,413,694	2,683,581	2,610,000	-73,581	-2.74%	***2,766,542***	156,542	6.00%	82,961	3.09%
Benefits	637,785	655,695	758,544	730,000	-28,544	-3.76%	***805,082***	75,082	10.29%	46,538	6.14%
Training & Development	86,355	122,425	114,175	105,000	-9,175	-8.04%	***72,931***	-32,069	-30.54%	-41,244	-36.12%
Student Aid Services	1,000	35,457	39,300	35,800	-3,500	-8.91%	***119,125***	83,325	232.75%	79,825	203.12%
Special Events	30,596	24,269	37,650	40,000	2,350	6.24%	***35,685***	-4,315	-10.79%	-1,965	-5.22%
Supplies	72,848	66,438	50,975	65,000	14,025	27.51%	***61,372***	-3,628	-5.58%	10,397	20.40%
Business Operations	662,981	616,727	634,602	639,000	4,398	0.69%	***685,005***	46,005	7.20%	50,403	7.94%
Plant Maintenance	85,489	94,847	96,566	90,000	-6,566	-6.80%	***113,205***	23,205	25.78%	16,639	17.23%
Interest Expense	15,864	15,985	16,260	15,000	-1,260	-7.75%	***15,000***	0	0.00%	-1,260	-7.75%
Resale Costs	0	0	0	0	0		***0***	0		0	
Miscellaneous	6,822	9,143	20,710	10,309	-10,401	-50.22%	***19,482***	9,173	88.98%	-1,228	-5.93%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	96,524	0	-96,524	-100.00%	***93,761***	93,761		-2,763	-2.86%
Campus Contingency, Discretionary	0	0	0	0	0		***125,900***	125,900		125,900	
Liquidity Reserve	49,130	61,308	60,327	60,327	0	0.00%	***58,601***	-1,726	-2.86%	-1,726	-2.86%
Overhead											
To the University	675,543	674,389	663,601	663,601	0	0.00%	***638,708***	-24,893	-3.75%	-24,893	-3.75%
Rebates form the University	-184,239	-213,588	-228,435	-228,435	0	0.00%	***-232,258***	-3,823	-1.67%	-3,823	-1.67%
Subsidy from Adult Campuses	35,800	36,800	34,600	34,600	0	0.00%	***34,200***	-400	-1.16%	-400	-1.16%
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	453,520	453,842	435,440	435,440	0	0.00%	***293,589***	-141,851	-32.58%	-141,851	-32.58%
Depreciation	0	0	0	0	0			0		0	
Total Operating Expenses	4,802,854	5,067,431	5,514,420	5,305,642	-208,778	-3.79%	***5,705,930***	400,288	7.54%	191,510	3.47%
Excess Revenue over Expenses	145,543	-53,324	27,557	-69,907	-97,464	-353.68%	***0***	69,907	100.00%	-27,557	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	95,526	64,932	45,000	30,000	-15,000	-33.33%	***137,400***	107,400	358.00%	92,400	205.33%
Borrowing Proceeds	0	0	0	0	0		***-137,400***	-137,400		-137,400	
Principal Payments	0	0	0	0	0		***0***	0		0	
Prior Year Reserves	0	-118,256	-17,443	-99,907	-82,464	-472.76%	***0***	99,907	100.00%	17,443	100.00%
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	95,526	-53,324	27,557	-69,907	-97,464	-353.68%	***0***	69,907	100.00%	-27,557	-100.00%
Net Cash Basis Budget	50,017	0	0	0	0		***0***	0		0	

The McGregor School of Antioch
2000-01 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
McGregor	Conference Room Renovation	20,000
	Total Building Improvements	20,000
Campus	**Equipment**	**Amount**
McGregor	Network Service Systems	14,000
	Improvement & Expansion of Computer Lab Equipment	83,400
	Conference Facility Equipment	20,000
	Total Equipment	117,400
Campus	**Furniture & Fixtures**	**Amount**
	Total Furniture & Fixtures	0
Campus	**Library Books**	
	Total Library Books	0
	Grand Total Capital Budget	**137,400**
		========

The McGregor School of Antioch
Tuition Rate Changes 2000-01

Program	1999-00 Rates Per Quarter	1999-00 Proposed Per Quarter	% Change
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Weekend College	2,544	2,616	2.83%
Graduate Management	3,289	3,388	3.01%
IMA Classic	1,531	1,577	3.00%
IMA Intercultural Relations*	2,094	2,600	24.16%
IMA Conflict Resolution*	2,404	2,877	19.68%
Teacher Certification	2,948	3,036	2.99%
MA Education		2,116	

* IMA tuition now includes evaluator cost

ANTIOCH UNIVERSITY ADMINISTRATION
2000-01 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

Activities begun in 1998-99 continued to occupy much of the time of the Chancellor's Office during 1999-2000. In particular, advancing the University Plan was a central focus of our efforts. Several ULC meetings and teleconferences were occupied with discussion of the content of the plan and with its integration into the proposed budget for 2000-01. Putting concrete actions behind the objectives of the plan have proven difficult for the individual campuses. Understandably, in a time of tight budgets it is difficult to find the resources necessary to invest in the future, yet unless we make those investments we will not be able to move forward. In fact, the normal cost-to-continue expenses of inflation and salary increases will actually cause us to fall farther behind if we cannot grow and increase our revenue streams. Efforts to strengthen programs, to innovate and introduce new programs are essential if we are to expand our enrollment base.

With a full leadership team in place, the University Plan has formed the basis of much of the activity of the Chancellor's Office and much of what we have done this year has been guided by the Plan. Among the more significant accomplishments and challenges of 1999-2000 are the following:

Stimulating Academic Program Development and Innovation. Recognizing that each campus must strengthen its academic offerings in order to meet increasing competition for students, we established an academic program innovation fund in the university budget, inviting campuses to seek internal grants to support new program initiatives. The first such grants will be made this month. During the past year, three campuses have continued to work on offering on-line courses, and this area holds much promise as we develop our internal capacity to deliver such courses. The Board has also approved a number of new campus programs during this period, including new and expanded initiatives in Teacher Education. Teacher Education has been Antioch's most dynamic area of enrollment growth over the past two years. New academic programs are the lifeblood of Antioch's future and we are making good progress in this area.

Trustee Vacancies. As it did last year, the Trusteeship Committee worked hard at screening the new prospects that we proposed for membership on the Board. During the year we successfully recruited William L. Clay, retiring Senior US Congressman, and an additional candidate will be proposed prior to the June meeting. Our efforts to identify appropriate candidates for Board membership will continue as we seek to fill the vacancies that will open at the end of this fiscal year as well as those needed to strengthen the Board for a prospective capital campaign.

Capital Campaign. An important element of the Strategic Plan is increased fund raising. At the February meeting of the Board, Bill Dietel, President of the P-L Foundation, spoke to the Board about the importance of giving and what is required to conduct a successful capital campaign. The Vice Chancellor for Development and I have worked closely with the ULC on ways to strengthen our fund-raising capacity and to make ready for the capital campaign.

National Recognition. Each of the campuses and the University Administration have concentrated on improving Antioch's image in our local areas and nation-wide. We have done this with limited advertising budgets and, for the most part, staff who can devote only a portion of their time to media placement and news generation. Collectively, however, we have had considerable success in calling attention to the work we are doing and the quality of our faculty and students.

Unfortunately, not all of the media attention that we have received this year was welcome. The tragic murder of two College students in Costa Rica this spring focused national attention on the College. Throughout the unfolding of this tragedy, the college handled events with dignity and a positive focus. Also in the spring, the student choice of Mumia Abu-Jamal to speak at commencement generated hostile and threatening attention. Again, the College was called upon to respond and it did so in a very positive way.

Team Building. Beginning with the July ULC Retreat, I have devoted considerable energy towards helping the members of the ULC to work more closely together, to be mutually supportive, and to advance the strategic planning objectives that the Board has adopted. Through retreats, conference calls, and individual contact, the ULC is becoming stronger and is functioning better. Nonetheless, the ULC has not achieved the effective level that all members believe is necessary.

University-wide Ph.D. Significant progress was made in 1999-2000 to make the new Ph. D. in Leadership and Change a reality. Laurien Alexandre was appointed director, a solid academic plan has been put in place, a proposal for program approval submitted to the Ohio Regents, and information packets sent to prospective students. While the Ohio Regents have not completed their program review, significant numbers of prospective students are making their interest known and we expect that when approval comes later this spring, we will be in a very good position to enroll the first class for a fall 2000 start.

NCA Accreditation Planning. Preparation for the North Central Accreditation review that will occur in 2001-02 began in earnest during 1999-2000. Under the guidance of Paul Ewald and Laurien Alexandre, the academic deans developed a plan and time table, including the appointment of an advisory committee to oversee the self-study required by NCA.

A related activity has been an accelerated academic review of each of the degree programs being offered by Antioch. During 1999-2000, a major internal review of the Management programs offered by three Antioch campuses was completed. The review identified strengths and weaknesses in these programs and suggested ways in which the programs can attract more students and be of greater service to those who are already enrolled.

Legal Matters. Fortunately, 1999-2000 has been relatively free of litigation and there have been no major law suits initiated against the University. The legal audit of the Human Resources functions has been completed and an extensive series of recommendations has been provided to each of the campuses. We are working with the Human Resources Directors at each campus to identify best practices and to ensure that these practices are adopted. By cooperatively strengthening our HR functions, we can avoid litigation by employees and reduce complaints from state and federal agencies. The legal audit of the student areas is now in progress.

Real estate matters have required some attention, particularly in Southern California where additional space was needed by both campuses. At Santa Barbara, considerable effort went into the planning for a new campus before space became available in the existing building that allowed the campus to expand without relocation. In Los Angeles, additional space was obtained in the same building and much of the space pressure has been eased.

At the College, we were able to negotiate the purchase of four small lots along one side of the main access street to the campus. There are no buildings on these lots, but their acquisition was critical to the College's future plan to significantly improve the appearance of the approach to the campus.

WYSO Tower. Last year the Wright State University Foundation sold the tower and site used by WYSO. The new owners, a private company, attempted to impose a new lease and a major increase in the rent. The tower is also used by another non-profit station, WCDR. WCDR brought suit against the new owner to enforce the terms of the existing lease. Because Antioch is a tenant on the tower, we were also named in the suit. We have had to spend considerable time negotiating with the new landlord, and the outcome of this lawsuit is not yet known.

Property and Liability Insurance. Confronted with a 15% increase for property and liability coverage, we elected to solicit bids with alternative carriers. As a result, our property carrier reduced the premium increase and provided a more attractive rate for liability coverage than our previous carrier. Savings on other specialized policies, coupled with the smaller increase, kept the total insurance cost increase below 5%.

New Bond Issue. The College needs to catch-up on deferred maintenance and to replace worn out furniture and obsolete equipment. Its operating budget allows for only modest investments in the needed repairs and additional funding is needed to insure that the campus is attractive and functional for new students. The McGregor School needs to upgrade and expand its computers and other technology to allow it to be competitive for adult students. Both campuses are participants in an Ohio Pooled Bond Issue that will be funded in either late June or early July. The additional $2.2 million that will be available to Antioch over the next two years will enable the College and McGregor to dramatically improve the available facilities and equipment.

Computing Improvements. During 1999-2000 the University worked on improving our computing infrastructure to improve security, increase reliability, and improve functionality for users. Several of these efforts are already in place, others are quite far along, and one is in the early phases.

Security for the Datatel system was significantly improved by limiting Datatel server access to the Antioch campuses. Previously, access to the server was available from any computer on the Internet. Access to desktop machines in the University Administration has also been limited by the installation of firewall security software which monitors and rejects unauthorized access attempts. This software has proven quite affective in resisting hacker intrusions. The desktops in the University Administration have also been equipped with virus detection software which is routinely updated.

University network reliability was improved significantly this year with the installation of uninterruptible power supplies (UPS) for the Datatel, E-Mail, and Name servers, as well as all desktop machines. Although the reliability of municipal power has improved in Yellow Springs in recent years, periodic power outages have been a problem. Both mechanical and weather problems in Yellow Springs have caused network interruptions for all University users. The installation of the UPS units are sufficient to bridge 30 minute interruptions of power to the network servers. Desktop units can bridge 10 minute power interruptions.

Datatel security is also being improved by the installation of a redundant array of independent drives (RAID) that will safeguard against data loss due to the failure of a disk drive. In our RAID system, data will be spread over five active drives and coded in such a way that it can be recreated if any one of the drives should fail. A spare drive is always available, and if one drive fails, the system will automatically recreate the lost data on the spare drive. Work is currently proceeding on installation of the RAID system and it should be fully operational by mid-July.

Datatel's Report Writer, Safari, was purchased this year and work on the foundation programming and data organization has begun. Considerably more time will be needed for the development of "profiles" of the data before it can be released for campus use, but we expect Safari to be initially available by late fall.

Building Maintenance. The Kettering Building was built in 1953 and, while of sound construction, it has not received routine maintenance, even before it was acquired by the University. Over the next several years we will invest in the property to extend its life and minimize the cost of future repairs.

On the front and back of the building, above each course of windows, is a three-foot overhang. These "awnings" are supported by beams which extend out from the building and because the roof surfaces of the awnings have not been maintained, water has entered the space between the exterior brick and the interior masonry. In addition, the water was allowed to seep in and destroy the metal panels of the awnings and "rot" the concrete deck. This neglect has threatened the structural integrity of the awnings and also allowed water to permeate the brick facing and damage its integrity. This spring the worst of the steel panels and concrete decking were removed and replaced with new steel and styrofoam insulation. The less damaged panels were repaired with new steel plate. Finally, new roof membrane was applied to prevent water from seeping into the awnings. In the front of the building downspouts were installed to remove water that was previously allowed to accumulate on top of the awnings.

At three of the four corners of the Kettering Building, foundation failure permitted the brick exterior to shift and open large cracks from foundation to roof. At these cracks, the exterior brick began to shift away from the building and one of the corners was in imminent danger of separating completely. Masons were employed to remove damaged brick and reattach the façade to the building. Then, the cracks were tuckpointed to prevent future water intrusion.

II. STRATEGIC UNIVERSITY PRIORITIES

2000-01 Staff Compensation. Compensation increases for employees in the University Administration have lagged the market because of limits on financial resources and our sensitivity to the comparisons that are made within Yellow Springs and to the increases given at the campuses at other locations. There is some risk in allowing this situation to continue because turnover in a few key positions would put the University at a great disadvantage. While compensation is but one factor in the employment equation, in a tight job market such as the one we are now in, ignoring compensation can be done only at our peril.

Compensation rates in the technology area have grown at a very rapid rate in recent years. The demand for individuals with knowledge of computing systems, networks, web pages and servers has been particularly high. It is unlikely that we will have the financial resources in 2000-01 to bring our salaries to a fully competitive level in this area, but we feel the need to avoid losing additional ground.

The increasing cost of fringe benefits alone, particularly medical and drug, will require a 1.6% increase in the cost of our compensation plan. On top of this we propose a 3% increase in salary and wages to match inflation. Unfortunately, this package will provide only a modest increase in salary rates after adjusting for inflation. We believe that this is the minimum increase that we can provide without jeopardizing critical operations.

Increasing University-wide Development Capacity. Increasing our development effort over the next five years is a major goal of the University Plan. Typically, fund-raising costs between three and ten percent of the total amount to be raised, and to maximize the efficiency of our fund-raising effort, some of the staff and associated costs must be shared with the campuses. Key staff will be added on each of the campuses and a Director of Planned Giving should become part of the University Administration. This Planned Giving officer would report to the Vice Chancellor for Development, who will assign and re-assign the person to the campus where he or she can be most effective. Additional staffing, shared across the campuses, will require that Antioch University find significant up-front external funds in the near future.

The Vice Chancellor for Development will need to increase her amount of travel in 2000-01. Increased travel will be needed to contact potential donors and to solicit implementation and support grants, but also to coordinate the various aspects of the campaign. She will need to meet with the newly hired development staff at the campuses to help orient them to the campaign and to familiarize them with fund-raising activities at Antioch.

A critical component of the effort to mount an effective campaign is a grant to partially support the needed infrastructure of fund development. Such an institutional capacity-building grant would supply the funds to enhance current development efforts at each campus as well as to enhance the capacity of the Office of the Vice Chancellor for Development. In addition to the Planned Giving specialist, we are seeking grant support for up to four other specialized positions that would be available to collaborating campuses. One of these is a Grants Officer, whom we project to be located in Yellow Springs, working primarily with McGregor, the College, and the Chancellor's Office. A second will likely be a Corporate/Foundation Relations Specialist, possibly to be located on the west coast. The grant would also provide for technology needs and assist with visibility issues that are critical to the success of a development campaign.

University-wide Academic Program Development. In 2000-01 we will continue our efforts to provide support for the Ph.D. in Leadership and Change. We believe that this program will pass critical milestones during the fiscal year and that there will be unanticipated situations that may require special attention from the University Administration. The full description of the spending plans for the Ph.D. in Leadership and Change appear in a separate section of this report.

During 2000-01 the University Administration will also work with the campuses to develop and offer additional on-line courses that may be shared across university campuses. As we develop and test these initial courses and the technology and systems needed to support them, we will evaluate the concept and feasibility of an on-line BA Completion program.

In recognition of the need to quicken the pace of University-wide academic program development and expand our support for collaboration between similar and compatible programs on a University-wide basis, the University Administration created an Academic Development Fund. It is becoming increasingly clear that Antioch can no longer rely on its traditional core programs to attract the enrollment and produce the revenues that are needed to sustain our operations. We must become more innovative and more responsive to the needs of potential students of all ages, and to do this we will need to make both financial and intellectual investments. Initially funded at $50,000, the Academic Development Fund was too small to support the scale of innovation that is required. During 1999-2000 a small number of projects received support but the bulk of the funds were not committed. The Academic Deans and the ULC are working on a streamlined procedure that will allow campuses to apply for funds and receive them in a timely way. We believe that this will encourage faculty innovators to seek the funds they need to make their ideas operational. Some number of these new program ideas will be successful and capable of generating future overhead funds that can sustain the Innovation Fund. For 2000-01 we believe that the Innovation Fund should be increased to $100,000. Ideally, the fund should be larger, but financial constraints make it difficult to fund even this level.

Strengthening Regional and National Visibility and Marketing. Despite the significant efforts of the campuses within their regions and the work of the University Administration to increase the visibility of Antioch, much remains to be done before there is Antioch "brand recognition". In 2000-01, the University Administration will work with the campuses to develop a more coherent image while recognizing the need of each campus to respond to its own audiences. The bulk of the publication and media investment will continue to be made by the campuses, primarily to attract new students. However, the demands of a capital campaign require that Antioch establish a broader recognition base. This will require the use of several different forms of media, but each investment must be strategically targeted because we do not have the resources to pursue "saturation" approaches.

One of the most effective ways to reach individuals who have some knowledge of Antioch is through the World Wide Web. The current web site needs to be significantly upgraded and made more attractive, useful and interactive. This will require professional design talent and improved technology. The University Administration needs to cultivate links from other sites that will bring people to the Antioch server while establishing links to other sites that will make the Antioch site more useful. Today, with so many sites on the Web, only those that are skillfully constructed to meet user needs will attract visitors. A minimum investment of $25,000 in 2000-01 will significantly improve the effectiveness of the University's site, but a larger investment would produce even greater results.

Media placement can be a very important way to gain favorable recognition of the University and its campuses, but it can also be very expensive. In order to promote media placement on a selective and economical basis, the University Administration will work with the campuses to develop media guides that identify those faculty and staff with unique expertise. The information contained in these guides will then be made available to appropriate media outlets with the goal of encouraging print and broadcast reporters to tap the Antioch knowledge base. Faculty and staff will also be encouraged to write articles for local and national placement and the University Administration will assist whenever possible.

At present the University has only limited printed media that can be used for promotional efforts. By using desktop publishing and economical reproduction techniques, the University should be able to create a narrow range of targeted materials and a single general-use document that can be used to introduce Antioch to a wide audience. In 2000-01, the publications budget will increase by $25,000.

Given the competing demands for very scarce resources for these purposes, some of the funding to achieve regional and national visibility will necessarily need to come from the Institutional Capacity Grant being sought by the University Administration. This grant will provide the necessary funds to augment campus and University resources and allow the development of a comprehensive marketing plan.

Technology in Support of Academic Programs. The Technology Task Force has identified a need for greater Datatel support of the student services areas including admissions, registrar, and financial aid offices. At present, the University Administration has only one programmer committed to developing Datatel reports and special applications. This individual serves not only the business functions of the University, but also the student services areas. Because of the very large demand from the student services areas, largely as a result of the recent adoption of Datatel for student services and the fact that each campus represents a unique and diverse set of academic structures, the backlog of projects is quite large.

In order to reduce this backlog, the University will hire an additional Datatel programmer who can assist with the most immediate projects and who can also facilitate the introduction of Safari, the Datatel report writer. Safari will give campus personnel the ability to develop many of their own specialized reports without the need for professional programmer intervention. This will greatly improve the efficiency of the campus offices and allow the university programmers to focus on the more complex reports that cannot be handled by Safari. The cost of an additional Datatel programmer for a full year, including salary and fringe benefits, is $70,500. In addition to the salary costs, the individual will require a computer, office furniture, and a place to work. Office renovation will be needed to provide space for the new person.

Finally, in order to provide minimal support for the emerging on-line courses across the university, we will attempt to find funding for the recommendations of the technology task force. Among the top priorities are university-wide support for the on-line library function, especially as it will support the Ph.D. program in Leadership and Change, and possibly a student support help desk. The need for the latter will depend on the complexity of the technology adopted and the speed with which programs move to the new technology.

Board Self-Evaluation. The Chair of the Board has suggested that 2000-01 might be a good time for the Board to conduct an evaluation of how it conducts its business and how it might become more effective. We anticipate that approximately $25,000 will be required for a consultant/facilitator.

James W. Hall
Chancellor

University Administration
2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees	0	0	0	0	0		*0*	0		0	
Less Tuition Discounts	0	0	0	0	0		*0*	0		0	
Gifts	40,311	29,450	20,000	20,437	437	2.19%	*20,000*	-437	-2.14%	0	0.00%
Grants	0	0	0	0	0		*0*	0		0	
Endowment Income	0	0	0	0	0		*0*	0		0	
Contracts	0	0	0	0	0		*0*	0		0	
Other Income	0	-5,041	0	0	0		*0*	0		0	
Total E&G Revenue	40,311	24,409	20,000	20,437	437	2.19%	*20,000*	-437	-2.14%	0	0.00%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Released From Restrictions	0	0	54,315	0	-54,315	-100.00%	*0*	0		-54,315	-100.00%
Total Revenues	40,311	24,409	74,315	20,437	-53,878	-72.50%	*20,000*	-437	-2.14%	-54,315	-73.09%
Net Overhead for Central Operations	1,804,359	1,898,726	2,126,544	1,939,704	-186,840	-8.79%	*2,351,733*	412,029	21.24%	225,189	10.59%
Operating Expenses											
Instruction	0	0	0	0	0		*0*	0		0	
Research	0	0	0	0	0		*0*	0		0	
Public Service	0	0	0	0	0		*0*	0		0	
Academic Support	0	0	0	0	0		*0*	0		0	
Student Services	114,573	119,174	120,733	119,744	-989	-0.82%	*121,528*	1,784	1.49%	795	0.66%
Institutional Support	1,673,836	1,757,000	1,980,126	1,760,397	-219,729	-11.10%	*2,199,005*	438,608	24.92%	218,879	11.05%
Plant Maintenance	0	0	0	0	0		*0*	0		0	
Scholarships	0	0	0	0	0		*0*	0		0	
Total E&G Expenses	1,788,409	1,876,174	2,100,859	1,880,141	-220,718	-10.51%	*2,320,533*	440,392	23.42%	219,674	10.46%
Auxiliary Enterprises		0	0	0	0		*0*	0		0	
Total Operating Expenses	1,788,409	1,876,174	2,100,859	1,880,141	-220,718	-10.51%	*2,320,533*	440,392	23.42%	219,674	10.46%
Excess Revenue over Expenses	56,261	46,961	100,000	80,000	-20,000	-20.00%	*51,200*	-28,800	-36.00%	-48,800	-48.80%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	56,261	46,961	100,000	80,000	-20,000	-20.00%	*51,200*	-28,800	-36.00%	-48,800	-48.80%
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	0	0	0	0	0		*0*	0		0	
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	0	0	0	0	0		*0*	0		0	
Total Cash Items	56,261	46,961	100,000	80,000	-20,000	-20.00%	*51,200*	-28,800	-36.00%	-48,800	-48.80%
Net Cash Basis Budget	0	0	0	0	0		*0*	0		0	

University Administration
2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	1,844,670	1,923,135	2,200,859	1,960,141	-240,718	-10.94%	***2,371,733***	411,592	21.00%	170,874	7.76%
Operating Expenses											
Salaries & Wages	966,713	969,350	1,070,104	1,021,783	-48,321	-4.52%	***1,121,500***	99,717	9.76%	51,396	4.80%
Benefits	265,600	292,731	314,914	293,039	-21,875	-6.95%	***341,356***	48,317	16.49%	26,442	8.40%
Training & Development	206,974	190,171	190,500	212,878	22,378	11.75%	***268,800***	55,922	26.27%	78,300	41.10%
Student Aid Services	0	0	0	0	0		***0***	0		0	
Special Events	0	47,133	2,000	1,050	-950	-47.50%	***2,000***	950	90.48%	0	0.00%
Supplies	16,848	55,388	37,200	33,728	-3,472	-9.33%	***43,950***	10,222	30.31%	6,750	18.15%
Business Operations	135,972	159,822	106,707	136,802	30,095	28.20%	***173,550***	36,748	26.86%	66,843	62.64%
Plant Maintenance	178,481	148,984	151,434	169,945	18,511	12.22%	***159,400***	-10,545	-6.21%	7,966	5.26%
Interest Expense	0	203	0	570	570		***0***	-570	-100.00%	0	
Resale Costs	0	0	0	0	0		***0***	0		0	
Miscellaneous	10,671	7,836	4,000	5,789	1,789	44.73%	***5,877***	88	1.52%	1,877	46.93%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		***0***	0		0	
Campus Contingency, Discretionary	0	0	224,000	0	-224,000	-100.00%	***200,000***	200,000		-24,000	-10.71%
Liquidity Reserve	0	0	0	0	0		***0***	0		0	
Overhead											
To the University	0	0	0	0	0		***0***	0		0	
Rebates form the University	0	0	0	0	0		***0***	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		***0***	0		0	
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	7,150	4,556	0	4,556	4,556		***4,100***	-456	-10.02%	4,100	
Depreciation	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	1,788,409	1,876,174	2,100,859	1,880,141	-220,718	-10.51%	***2,320,533***	440,392	23.42%	219,674	10.46%
Excess Revenue over Expenses	56,261	46,961	100,000	80,000	-20,000	-20.00%	***51,200***	-28,800	-36.00%	-48,800	-48.80%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	56,261	46,961	100,000	80,000	-20,000	-20.00%	***51,200***	-28,800	-36.00%	-48,800	-48.80%
Borrowing Proceeds	0	0	0	0	0		***0***	0		0	
Principal Payments	0	0	0	0	0		***0***	0		0	
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	0	0	0		***0***	0		0	
Total Cash Items	56,261	46,961	100,000	80,000	-20,000	-20.00%	***51,200***	-28,800	-36.00%	-48,800	-48.80%
Net Cash Basis Budget	0	0	0	0	0		***0***	0		0	

UNIVERSITY CENTRAL ADMINISTRATION

2000-01 Capital Budget

Land	Amount
Buildings	**Amount**
Total Buildings	0
Building Improvements	**Amount**
Kettering Bldg Renovations	17,000
Repave Kettering Bldg Parking Lot	20,000
Total Building Improvements	37,000
Equipment	**Amount**
Hardware for WEB Server	3,500
Computers	2,400
Cabling	1,900
Smart Switch & MMAC	6,400
Total Equipment	14,200
Furniture & Fixtures	**Amount**
Total Furniture & Fixtures	0
Library Books	**Amount**
Grand Total Capital Budget	**51,200**
	========

ANTIOCH REVIEW
2000-01 PROPOSED BUDGET

The Antioch Review has balanced its budget for 1999-2000 as the result of fund raising activities and meeting projected income targets. Our circulation remains steady and there has been a modest increase in revenues generated by electronic publishing. Progress toward increasing the endowment has been slow. Our projected budget for next year shows an increase in the salary line as the result of a shift of budgetary responsibilities from the College to the University. All other items reflect a rollover budget. Once again this is a bare-bones budget with development funds inadequate to the task of raising money to support the Review.

Robert Fogarty
Editor

Antioch Review

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees	0	0	0	0	0		*0*	0		0	
Less Tuition Discounts	0	0	0	0	0		*0*	0		0	
Gifts	15,585	18,461	24,123	18,500	-5,623	-23.31%	*50,757*	32,257	174.36%	26,634	110.41%
Grants	1,231	2,957	8,100	8,101	1	0.01%	*3,000*	-5,101	-62.97%	-5,100	-62.96%
Endowment Income	12,100	10,471	11,700	9,564	-2,136	-18.26%	*9,200*	-364	-3.81%	-2,500	-21.37%
Contracts	0	0	0	0	0		*0*	0		0	
Other Income	5,539	7,791	6,400	9,000	2,600	40.63%	*6,200*	-2,800	-31.11%	-200	-3.13%
Total E&G Revenue	34,455	39,680	50,323	45,165	-5,158	-10.25%	*69,157*	23,992	53.12%	18,834	37.43%
Auxiliary Enterprises	60,052	57,667	54,000	58,500	4,500	8.33%	*55,500*	-3,000	-5.13%	1,500	2.78%
Released From Restrictions	8,310	8,962	0	2,760	2,760		*2,500*	-260	-9.42%	2,500	
Total Revenues	102,817	106,309	104,323	106,425	2,102	2.01%	*127,157*	20,732	19.48%	22,834	21.89%
Operating Expenses											
Instruction	0	0	0	0	0		*0*	0		0	
Research	0	0	0	0	0		*0*	0		0	
Public Service	102,607	106,309	104,323	106,425	2,102	2.01%	*127,157*	20,732	19.48%	22,834	21.89%
Academic Support	0	0	0	0	0		*0*	0		0	
Student Services	0	0	0	0	0		*0*	0		0	
Institutional Support	0	0	0	0	0		*0*	0		0	
Plant Maintenance	0	0	0	0	0		*0*	0		0	
Scholarships	0	0	0	0	0		*0*	0		0	
Total E&G Expenses	102,607	106,309	104,323	106,425	2,102	2.01%	*127,157*	20,732	19.48%	22,834	21.89%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	102,607	106,309	104,323	106,425	2,102	2.01%	*127,157*	20,732	19.48%	22,834	21.89%
Excess Revenue over Expenses	210	0	0	0	0		*0*	0		0	
Annual Budget Conversion to Cash Basis											
Capital Expenditures	0	0	0	0	0		*0*	0		0	
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	0	0	0	0	0		*0*	0		0	
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	0	0	0	0	0		*0*	0		0	
Total Cash Items	0	0	0	0	0		*0*	0		0	
Net Cash Basis Budget	210	0	0	0	0		*0*	0		0	

Antioch Review
2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	102,817	106,309	104,323	106,425	2,102	2.01%	*127,157*	20,732	19.48%	22,834	21.89%
Operating Expenses											
Salaries & Wages	30,950	31,656	31,989	31,982	-7	-0.02%	*50,850*	18,868	59.00%	18,861	58.96%
Benefits	17,371	17,054	17,474	17,143	-331	-1.89%	*22,882*	5,739	33.48%	5,408	30.95%
Training & Development	1,892	3,523	700	2,332	1,632	233.14%	*2,200*	-132	-5.66%	1,500	214.29%
Student Aid Services	0	0	0	0	0		*0*	0		0	
Special Events	0	0	0	0	0		*0*	0		0	
Supplies	-2,629	-2,465	-2,500	-2,591	-91	-3.64%	*-2,575*	16	0.62%	-75	-3.00%
Business Operations	50,428	52,112	52,210	53,003	793	1.52%	*53,700*	697	1.32%	1,490	2.85%
Plant Maintenance	245	-126	100	0	-100	-100.00%	*100*	100		0	0.00%
Interest Expense	0	0	0	0	0		*0*	0		0	
Resale Costs	0	0	0	0	0		*0*	0		0	
Miscellaneous	0	0	0	0	0		*0*	0		0	
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		*0*	0		0	
Campus Contingency, Discretionary	0	0	0	0	0		*0*	0		0	
Liquidity Reserve	0	0	0	0	0		*0*	0		0	
Overhead											
To the University	0	0	0	0	0		*0*	0		0	
Rebates form the University	0	0	0	0	0		*0*	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		*0*	0		0	
Subsidy from Overhead	0	0	0	0	0		*0*	0		0	
Other (Intercampus Agree & Univ Conf)	4,350	4,555	4,350	4,556	206	4.74%	*0*	-4,556	-100.00%	-4,350	-100.00%
Depreciation	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	102,607	106,309	104,323	106,425	2,102	2.01%	*127,157*	20,732	19.48%	22,834	21.89%
Excess Revenue over Expenses	210	0	0	0	0		*0*	0		0	
Annual Budget Conversion to Cash Basis											
Capital Expenditures	0	0	0	0	0		*0*	0		0	
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	0	0	0	0	0		*0*	0		0	
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	0	0	0	0	0		*0*	0		0	
Total Cash Items	0	0	0	0	0		*0*	0		0	
Net Cash Basis Budget	210	0	0	0	0		*0*	0		0	

ANTIOCH UNIVERSITY
Ph.D. in Leadership and Change
2000-01 PROPOSED BUDGET

GENERAL BUDGET COMMENTS

This is the start-up year for the new Ph.D. in Leadership and Change. Some projections are based on our best estimates, which will have to be closely watched during the first year. Our principle behind the operations is a one-stop service shop for the students, a networked faculty model, and an intense mentoring relationship that takes full advantage of on-line communications capabilities between the on-site residencies. All of these principles impact delivery and structures, and consequently, operating budgets. We have tried to be conservative in the income, generous in the expenses, and we are committed to vigilant oversight in this first year.

INCOME

The $290,000 tuition revenue represents an entering student cohort of 20 and a competitively set tuition of $14,500 per annual term, with a $1,500 tuition discount for all students in the entering class. The discount is established because these first-year students will, in many ways, be a 'beta group,' helping us create and modify aspects of the model still under formation. In subsequent years, entering classes are 30 students annually. Tuition is projected to increase 4% every two years. Ph.D. Candidacy tuition is one-half of the full annual rate.

[Student Residency Explanation: Students must complete the program within seven years; the minimum is three, and we estimate most students will complete during years four and five of their residency. The program's retention is based on 60% rate and attrition calculated at 40% within a seven-year cycle. This is a conservative approach, and I believe we can do better than this; the 60/40 split is based on other non-traditional Ph.D. programs.]

The $240,000 shown as Release from Restrictions is from the multi-year Pierson-Lovelace grant plus carry-forward from 1999-2000 from that line as well.

EXPENSES

Faculty Salaries. Core faculty salaries for 2000-01 represent hiring one new full-time Core Faculty member at $60,000 plus benefits. Al Guskin's salary, as half-time Core Faculty, is not picked up by the program. Laurien Alexandre's salary, as full-time Core Faculty/Director is under the Administrator Line (with 50% of her time as Core Faculty). Thus, for 20 students we will have 2.0 Core Faculty in 2000-01 making a Core Faculty to student ratio of 1:10.

[Long term Projection/Explanation: Given the program's unusual faculty structure, the faculty FTE is difficult to calculate in traditional ways. The Core faculty-to-student ratio is set for the long-term at 1:11-15. This is figured in the following way: At full capacity, the program will have 120 students, with approximately 30 in the Candidacy stage at any one time. The 90-odd pre-Candidacy students will have 4 fulltime Core Faculty FTE overseeing the Core Curriculum, which is half of the students' curricular work; thus, four Core for 45 student-time FTE or 1:11. The 45 student-time FTE in the Individualized Curriculum is served by Mentor Faculty. The salary and benefits of the Mentors in future years is equal to the salary of approximately three Core FTE; thus three Core Faculty for 45 students or 1:15.]

Mentors are paid at $1500 per mentee annually for 2000-01, with that amount increasing in future years to $1800 in 2004-05. A total of $18,000 has been budgeted for Mentors.

Administrator. Administrator salaries include a full-time Director/Core Faculty, a full-time staff Program Administrator, and a quarter-time Coordinator of Mentor Learning. A 3% across-the-board salary increase has been included.

Non-union Staff. $14,400 is set for a part-time on-line Reference Librarian paid hourly at $30-$35 an hour for 8-10 hours a week. [Long term: this position increases to 17 hours in 2001-02; and, in 2002-03, is scheduled to become a full-time position.]

NON-PERSONNEL EXPENSES

Business Travel. $34,000 represents travel for faculty and staff for meetings and residencies. Travel is calculated at $500 airfare per trip for faculty involved in the four residencies scheduled for 2000-01, plus several additional trips for the Director. Hotel stays are calculated at $125 per night, $50 per day for food.

Local Meetings. $11,000 represents support for the annual meeting of the program's Advisory Committee as well as miscellaneous food and logistics costs incurred at the residencies.

Professional & Faculty Development. $10,000 for conference attendance for Core Faculty and in-service training for Core & Mentor, with the expectation that this increases to a total $20,000 in 2002-03.

Office Supplies. $5,000 represents office supplies, postage, phones, faxes, and the like.

Computer-Related Lines. A small amount, $2,500 for computer supplies. $4,000 is set aside for computer software, which represents a $100 program package of standard software applications & First Class licenses for a total of 40 students/faculty/staff.

Note: $5,000 for the purchase of computer equipment is on the Capital sheet. This amount represents approximately two computers (with one earmarked for the new Core Faculty and one for the on-line librarian) and a small amount for emergency.

Furniture. $5,000 for some office furniture as we set up the Ph.D. office in the Kettering Building.

Advertising. $50,000 for Ph.D. program advertising in 2000-01. Approximately $3,000 is for the production of brochures; $12,000 for alumni and selected mailings; $5,000 for Web redesign and updates; $30,000 for targeted ads/announcements in selected newsletters and magazines.

Miscellaneous Services. $1,000 for the unexpected.

Intercampus Agreements. In 2000-01, $16,000 expenses for Intercampus Agreement include $10,000 for possible support services (particularly at McGregor). There is also $6,000 for compensation to campuses for the involvement of any of their faculty as Ph.D. Mentor Faculty (@$500 x12).

There is no University Overhead until 2002-03, per University policy.

Consulting Services. $59,000 includes $24,000 for out-sourcing technology support; $25,000 for Faculty Academic Consultants and Guest Lecturers; $10,000 for temporary office help on an as needed basis.

Subscriptions. $10,540 is for on-line subscriptions and data bases for the on-line library.

Printing. $5,000 is for printing residency materials, program catalogs.

Telecommunications. $10,000 represents approximately $800.00 a month for phone and network conference calls, which is an educated estimate based on current planning year operations.

Laurien Alexandre
Director

PhD in Leadership and Change

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues											
Tuition & Fees							*290,000*	290,000		290,000	
Less Tuition Discounts							*-30,000*	-30,000		-30,000	
Gifts							*0*	0		0	
Grants							*0*	0		0	
Endowment Income							*0*	0		0	
Contracts							*0*	0		0	
Other Income							*0*	0		0	
Total E&G Revenue							*260,000*	260,000		260,000	
Auxiliary Enterprises							*0*	0		0	
Released From Restrictions							*240,000*	240,000		240,000	
Total Revenues							*500,000*	500,000		500,000	
Operating Expenses											
Instruction							*495,000*	495,000		495,000	
Research							*0*	0		0	
Public Service							*0*	0		0	
Academic Support							*0*	0		0	
Student Services							*0*	0		0	
Institutional Support							*0*	0		0	
Plant Maintenance							*0*	0		0	
Scholarships							*0*	0		0	
Total E&G Expenses							*495,000*	495,000		495,000	
Auxiliary Enterprises							*0*	0		0	
Total Operating Expenses							*495,000*	495,000		495,000	
Excess Revenue over Expenses							*5,000*	5,000		5,000	
Annual Budget Conversion to Cash Basis											
Capital Expenditures							*5,000*	5,000		5,000	
Borrowing Proceeds							*0*	0		0	
Principal Payments							*0*	0		0	
Prior Year Reserves							*0*	0		0	
Add back Depreciation							*0*	0		0	
Total Cash Items							*5,000*	5,000		5,000	
Net Cash Basis Budget							*0*	0		0	

PhD in Leadership and Change

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues							***500,000***	500,000		500,000	
Operating Expenses											
Salaries & Wages							***217,336***	217,336		217,336	
Benefits							***54,624***	54,624		54,624	
Training & Development							***55,000***	55,000		55,000	
Student Aid Services							***0***	0		0	
Special Events							***0***	0		0	
Supplies							***16,500***	16,500		16,500	
Business Operations							***134,540***	134,540		134,540	
Plant Maintenance							***0***	0		0	
Interest Expense							***0***	0		0	
Resale Costs							***0***	0		0	
Miscellaneous							***1,000***	1,000		1,000	
Contingency/Reserves											
Campus Contingency, Mandatory							***0***	0		0	
Campus Contingency, Discretionary							***0***	0		0	
Liquidity Reserve							***0***	0		0	
Overhead											
To the University							***0***	0		0	
Rebates form the University							***0***	0		0	
Subsidy from Adult Campuses							***0***	0		0	
Subsidy from Overhead							***0***	0		0	
Other (Intercampus Agree & Univ Conf)							***16,000***	16,000		16,000	
Depreciation							***0***	0		0	
Total Operating Expenses							***495,000***	495,000		495,000	
Excess Revenue over Expenses							***5,000***	5,000		5,000	
Annual Budget Conversion to Cash Basis											
Capital Expenditures							***5,000***	5,000		5,000	
Borrowing Proceeds							***0***	0		0	
Principal Payments							***0***	0		0	
Prior Year Reserves							***0***	0		0	
Add back Depreciation							***0***	0		0	
Total Cash Items							***5,000***	5,000		5,000	
Net Cash Basis Budget							***0***	0		0	

PhD in LEADERSHIP AND CHANGE
2000-01 Capital Budget

Land	**Amount**
Buildings	**Amount**
Total Buildings	0
Building Improvements	**Amount**
Total Building Improvements	0
Equipment	**Amount**
Computer Equipment	5,000
Total Equipment	5,000
Furniture & Fixtures	**Amount**
Total Furniture & Fixtures	0
Library Books	**Amount**
Grand Total Capital Budget	**5,000**
	========

PhD in Leadership and Change
Tuition Rate Changes 2000-01

Program	2000-01 Proposed
Tuition	14,500
1st Year Discount	-1,500
Total per Year	13,000

WYSO RADIO
2000-2001 PROPOSED BUDGET

I. 1999-2000 ACCOMPLISHMENTS AND CHALLENGES

WYSO-FM is the Miami Valley's most popular public radio station (according to Winter 2000 Arbitron audience data). It is a member station of National Public Radio (NPR) and an affiliate of Public Radio International (PRI). The station airs and files news stories with NPR, Ohio Public Radio (OPR), the Great Lakes Radio Consortium (GLRC), and Pacifica Network News. Additionally, WYSO features programming from the BBC World Service and the Canadian Broadcasting Corporation, along with locally-produced programming of interest to the Dayton/Springfield marketplace.

Almost four years ago, the station was at-risk of loosing its "qualified" status at the Corporation for Public Broadcasting (CPB) and, thereby, losing over $80,000 in annual federal support. It also lacked the personnel or infrastructure to operate a truly self-sufficient public radio service. With assistance from the CPB, NPR, several station consultants, and a lot of hard work and initiative on the part of the WYSO Resource Board, Antioch University's administration, and the staff and volunteers of WYSO, the station continues to make significant progress. Among this year's most notable achievements are:

- The first quarter began immediately following the station's first-ever, end-of-fiscal year, on-air membership campaign. The successful three-day drive, held the last week of June 1999, raised $20,000 for the stated purposes of a) assisting WYSO to defray a significant cost increase for the purchase of NPR programming and b) purchasing much needed digital production equipment.

  Regarding the latter, WYSO began the current fiscal year able to purchase a server, three (3) PCs, and the software necessary to establish digital audio workstations in the master control and main production studios. A third digital workstation was set up in a room in the broadcast and production area that had originally been designed for use as a third studio. It had always been used as additional office space as the station had not had the resources to acquire the equipment to convert it towards its intended purpose as the station's news production studio. Also purchased for this newsroom was a small mixing/production console, speakers, microphones, two (2) mini-disk player/recorders, cabling, etc. What the studio mainly lacks is appropriate studio furniture and cabinetry to house the equipment properly for optimal use.

WYSO also upgraded its master control, main production, and satellite operations facilities with the purchase of six (6) mini-disk player/recorders, allowing the complete phase out of reel-to-reel, analog tape.

Finally, WYSO purchased nine (9) PCs, one for each of its full-time employees. The station reported last year that its computer resources were wildly insufficient to the needs of its staff and woefully incompatible with achieving the station's mandate that it operate as a self-sufficient cost center. Acquisition and implementation of these computers caused a decided rise in personnel productivity and helped improve morale, as well.

- Using CPB funds provided as part of a NPR managed project to assist previously at-risk public radio stations, WYSO purchased, installed, and received extensive training in the use of software to manage the station's membership database. This system, custom-designed for the specific needs of public broadcasters, allows greater efficiency in the station's business affairs operations. Most valuable are the system's ability to analyze membership data and to generate mailings specifically tailored to the individual interests of members. Almost a year after implementation, the system is already demonstrating its revenue generation value to WYSO as it is facilitating the management of the station's direct mail solicitations. This savings of time and expense is allowing for more and better targeted mail drops to occur.

- Toward the end of the first quarter, WYSO debuted its own, locally-produced newsmagazine, SOUNDS LOCAL. Produced and hosted by WYSO News Director Aileen LeBlanc, this weekly half-hour program is rich in sound and has quickly become a very popular signature of the station's schedule. (A sample episode of particular interest to the Antioch community begins the compact disc being provided separately to the Board of Trustees.)

- At the beginning of the second quarter, the station experienced both good news and bad. The latter was that Frank Dudgeon, WYSO's local host of NPR's MORNING EDITION®, announced that he would be resigning his position. Mr. Dudgeon was a 25-year broadcast veteran. A Boston station sought him out and made a much more lucrative offer than anything WYSO could offer at this time. Shortly after Mr. Dudgeon's departure, WYSO's Summer 1999 Arbitron ratings were released. The book evidenced the largest audience in the station's 42-year history, over 45,000 weekly listeners. Management attributed this success to an improved station schedule but, in much larger measure to the talents of Frank Dudgeon. As weekday morning drive time (6:00-10:00am) is the most critical part of the day for any radio station, quality performance on the part of a local anchor is crucial. Accordingly, with Dudgeon's departure, management was quick to note that it would be very surprised if the station could sustain its high numbers into the Fall 1999 ratings period --- which it did not. Despite this, as Arbitron numbers should always be averaged over three to five consecutive quarters to produce a more reliable sense of market listening patterns, WYSO still found itself sustaining an average weekly audience of 40,000 listeners. This number has been consistent for close to two years now. Although weekly audience figures have fluctuated, the station has seen a continuous rise in the Time Spent Listening (TSL) of its listeners. This ratings figure is key as it speaks directly to listener loyalty which, in turn, tends to provide a greater potential for revenue generation (i.e., the more time a given listener spends with a station, the more it is valued by that listener, and, in the case of public radio, the more likely that the listener will respond to an on-air appeal or direct mail solicitation.)

The Summer 1999 Arbitrons demonstrated WYSO's potential to be a more significant station to the Miami Valley, when it can maintain the right staff in the right positions.

- Anticipating grant funding from the Ohio Educational Telecommunications Network Commission (OETNC) in 2000-01 for the purchase, installation, and programming of a digital automation system, WYSO requested and received a loan from Antioch University towards the acquisition of this equipment. The system was purchased and installed in November 1999, it was successfully deployed during Thanksgiving weekend. Phase-in to daily broadcast operations began about a month later. The automation system is helping to streamline station operations, particularly allowing for greater efficiency on the part of WYSO's on-air personnel.

- Deborah Wilson has been hired as WYSO's Development Associate. Ms. Wilson's primary responsibilities are to assist the station's Development Director with the various and several projects and events the station sponsors and/or participates in, help coordinate mailings, and acquire and coordinate non-broadcast volunteer help. Deborah also attracts new, and manages existing, underwriting sales accounts in the immediate Yellow Springs.

- At WYSO management's request, a meeting was arranged between the station, its local public radio partner WDPR, Dayton, and the president of Second & Main, Ltd., the company managing the construction of a major arts/performance complex on the site where downtown Dayton's famous Rike's department store once stood. Now known as the Schuster Arts Center, the two stations proposed that the architectural designs of the main theater be redesigned to accommodate a radio broadcast/production facility adequate for the transmission of live audio and the recording of live events for delayed broadcast. Management of Second & Main reacted very favorably to this suggestion. At this writing, work is progressing towards achieving this goal.

- WYSO, as is common practice at many public radio stations, ran on-air announcements in December reminding listeners that if they had not completed all of their charitable giving for the calendar year to please think about a gift of cash or appreciated stock to WYSO. On December 29, 1999, WYSO received a gift of $50,000 from a member of the station who had dutifully been contributing $100 annually to the station for several years. Management recommended and received endorsement from the WYSO Resource Board to designate $10,000 of this gift for immediate distribution as staff bonuses (based on months of service). The vote of confidence, in the form of this unanticipated windfall, brought a much needed morale boost.

- In July 1999, WYSO's Underwriting Sales Representative, Pete Ziehler, resigned to accept a significantly more lucrative position as sales representative at a commercial radio station in the area. It was very difficult for WYSO to find an adequate replacement. After more than six months, the station hired Julia Sizemore to fill this position. At about the same time, after several months in search of a professional broadcaster to serve as local host for NPR's MORNING EDITION, the station hired Mike Frazier in a permanent, part-time capacity.

- In its 1999-2000 Proposed Budget narrative, WYSO reported that it had received support from the Ohio Educational Telecommunications Network Commission (OETNC) for three capital grants it was requesting for the following projects:
  - Establish a high-end, digital production studio;
  - Purchase digital automation; and
  - Completely equip WYSO's newly renovated performance studio, including wiring the space for sound, construction of an engineering booth at the back of the space, installation of appropriate stage lighting and sound dampening curtains.

In early May 2000, the Ohio State Legislature, upon the recommendation of Governor Bob Taft's Office of Budget and Management, approved a capital budget for OETNC for 2001-02 which includes all of the grant funds requested by WYSO for these projects. As OETNC may only provide 40% of total project costs, WYSO is now assured of $58,118 towards project expenses.

During the third quarter, WYSO requested similar grants support for these projects from the federally funded Public Telecommunications Facilities Program (PTFP). The PTFP had provided major equipment funding to WYSO eleven (11) years ago. This request is pending.

- In March 2000, WYSO hired Timothy Tattan as its Program Director. An Ohio native, with over a quarter century's experience in radio, Mr. Tattan is an experienced and accomplished public radio program director who is, arguably, the station's first full-time professional to hold this position. This hiring brought WYSO back to a full staff of nine (9) full-time employees and one (1) part-timer. Timothy came to WYSO about a month before the station's Spring 2000 on-air membership campaign and simultaneous with the general manager's absence for much of that month due to unanticipated surgery and a period of recovery. His experience and talents assured the smooth, seamless operation of WYSO's broadcast division, as well as appropriate planning and preparation for the on-air campaign. Mr. Tattan is currently engaged in the most comprehensive analysis of WYSO's broadcast service ever conducted. This includes extensive exploration of audience data, which WYSO has previously been unable to work with on anything other than the most cursory level. Management fully anticipates that Timothy's recommendations and his broadcast skills will bring improvements to WYSO's air schedule, attracting greater listenership and revenue-generation opportunities.

  With Mr. Tattan able to oversee day-to-day programming operations, management is now able to devote significantly more time, attention, and energy to the long-range planning, policy, and large-scale development objectives of the station.

- Since joining the WYSO team in March 1999, News Director Aileen LeBlanc has filed almost 70 stories with NPR. Most of these were used as part of the network's hourly newscast service, while several others were features on NPR's premiere newsmagazines MORNING EDITION, ALL THINGS CONSIDERED, and WEEKEND EDITION. Ms. LeBlanc's news items and features have also been heard on the statehouse news feed of Ohio Public Radio (OPR) and on Pacifica National News. Aileen's work has significantly raised

WYSO's visibility within the national public radio system and, in so doing, helped to attract more national attention to its licensee. Following is a short list of feature stories Ms. LeBlanc has produced and the NPR newsmagazines upon which they have appeared, along with the RealAudio URL for accessing the archived audio for playback via the Internet:

- from NPR's MORNING EDITION®...Tuesday, February 1, 2000
  http://www.npr.org/ramfiles/me/20000201.me.04.ram
  BIKE TRAIL CONTROVERSY - From member station WYSO in Yellow Springs, Aileen LeBlanc reports that a dispute over bike trails is brewing in Ohio. A new proposal to erect privacy or security fencing along all bike trails may cause some of the existing trails to close and prevent others from being built. (3:39)

- from NPR's WEEKEND EDITION-SATURDAY®...Saturday, December 4, 1999
  http://www.npr.org/ramfiles/wesat/19991204.wesat.10.ram
  URBANA, OHIO - The growth of suburbs over the past few decades have turned many downtowns into retail skeletons. But Urbana, Ohio has managed to buck this trend --- and while its downtown has remained viable --- it now faces an unlikely threat from within. Aileen LeBlanc of member station WYSO in Yellow Springs reports. (4:30)

- from NPR's MORNING EDITION®...Wednesday, November 24, 1999
  http://www.npr.org/ramfiles/me/19991124.me.14.ram
  A CELEBRATION OF DANCE - Aileen LeBlanc of member station WYSO reports on two concurrent exhibitions at two different Ohio museums that celebrate African-American dance. Together they try to capture the influence that African movement has had on American dance. One explores the work of various contemporary artists; the other is a more conventional exploration of the history of dance in America. The concurrent exhibitions are called, "When the Spirit Moves." (6:45)

- from NPR's MORNING EDITION®...Wednesday, August 25, 1999
  http://www.npr.org/ramfiles/me/19990825.me.05.ram

AMISH IN AUTOMOBILES - Aileen LeBlanc from member station WYSO reports that members of the Amish community in Homerville, Ohio are beginning to take the bus around Medina County instead of their usual mode of transportation, the horse-drawn buggy. Traditional Amish generally avoid modern conveniences like motor vehicles. (4:55)

- from NPR's ALL THINGS CONSIDERED®...Tuesday, August 17, 1999
  http://www.npr.org/ramfiles/atc/19990817.atc.13.ram
  ON A ROLL - Aileen LeBlanc of member station WYSO in Yellow Springs Ohio profiles Greg Smith, host of a syndicated radio program dealing with disability issues. Smith, who weighs 65 pounds, has become a leading voice in the disability community. (4:30)

- from NPR's LIVING ON EARTH...week of June 25, 1999
  http://www.haa.harvard.edu:82/ath/video/06254of9.ram
  CICADA WAKE-UP CALL - WYSO's Aileen LeBlanc reports on the end of a cyclical 17-year deep sleep for cicadas in parts of Ohio, West Virginia and Pennsylvania. The insects have emerged from the soil by the hundreds of millions to sing and mate. The infestation has residents running for cover. (7:00)

- WYSO's Development Department and specifically its Director, Melodie Bennett, have continued to produce impressive fundraising results for the station. This fact is particularly noteworthy, as the department was significantly short-staffed for about half of the fiscal year. The following are highlights:

  The Fall 1999 on-air membership campaign secured 864 pledges totaling $64,553 (with an average pledge of $74.71). Additional gifts totaled $6,654. Mail renewals from 643 members brought in $49,238 (with an average gift of $76.68). 130 lapsed members rejoined via mail for a total of $7,470, while new memberships via mail raised $971. Challenge grants from businesses netted $3,250. $36,000 was pledged to WYSO through the Combined Federal Campaign (CFC). The grand total came to $168,136. This was $21,864 short of the campaign's overall goal of raising $190,000. However, considering that the drive took place two weeks after the departure of the station's local anchor for MORNING EDITION and that there were two additional staff positions still unfilled, WYSO was reasonably satisfied.

By contrast, the Spring 2000 on-air membership campaign was nothing short of a rousing success. The campaign secured 850 pledges totaling $72,766 (the on-air goal was $60,000). Additional gifts totaled $8,930. Mail renewals from 383 members brought in $31,633 (with an average gift of $82.59). 65 lapsed members rejoined via mail for a total of $3,546, while new memberships via mail raised $471. Challenge grants from businesses netted $2,750. 77 pledges came in via the station's website (www.wyso.org), raising $7,614.

The grand total for the Spring 2000 period includes two (2) post on-air campaign mailings to members whose renewals are due. At this writing, one of those mail drops has occurred while the second is scheduled to go out in May 2000. Accordingly, the grand total for the Spring campaign currently stands at $121,918. Since the campaign's overall goal was set at $120,000, management believes that the final tally should be about 10% above goal. WYSO saw the average pledge jump from $68 to almost $86.

It should be noted here that WYSO did receive complaints and animosity directed at it as a result of the publicity generated by the choice of Mumia Abu-Jamal as the keynote speaker at this year's commencement activities at Antioch College. Numerous phone calls, e-mails, and letters accused the station directly of being involved in this decision. As the national publicity on this issue coincided with the station's Spring on-air campaign (and the pledge fulfillments that need to occur immediately afterward), some listeners and members suggested that they would not donate (perhaps ever again) because of this matter.

Regarding business underwriting of station programming, WYSO's goal for the current fiscal year is $160,000. At this writing, the station has secured signed contracts totaling $133,912. Although the goal may be unobtainable before June 30, this figure is, once again, impressive considering that for a little over half of this year WYSO's Development Department consisted of a staff of one.

WYSO's Development Director continues to coordinate the activities of the WYSO Resource Board's Development & Fundraising Committee. The committee is presently helping the station to identify major donor support dollars and otherwise raise funds to be used as the local matching component of the OETNC grants described above.

WYSO's growth is enabling it to achieve two major objectives. First and foremost, to bring all staff members' compensation to at least parity with the median for similar positions at similarly sized stations within the public radio system. While we have not achieved this goal, we have made significant progress. The purpose of overcoming this hurdle is to appreciably diminish the high rates of staff turnover, which has been a perpetual problem at WYSO and has hampered its long-term opportunities for the development of the station and its services to the community.

The other major objective is to develop more local and regional programming. Opportunities to do this have never been better. In particular, WYSO hopes to produce documentary features for national distribution about the centennial of powered flight and the bicentennial of the State of Ohio, both occurring in 2003. As well, WYSO continues to look forward to developing broadcast projects to compliment various Antioch University initiatives, including "Antioch: A Place for Writers." The station has also had preliminary discussions with the Antioch Review about opportunities to create collaborative projects. As this work progresses, it will allow WYSO to offer specific, project-oriented internships and apprenticeships for Antioch College students and others.

As Antioch University's public radio service, WYSO continues to make public service announcements aimed at increasing awareness of the programs and events of the College and the McGregor School. The station continues to suggest to both campuses better ways to refine and target on-air messages to reach listeners and reach them in a way most likely to generate results.

Despite the accomplishments cited above, WYSO faces a number of challenges in the coming fiscal year. Among these are:

- Half of the current full-time staff receive a salary that is below the public radio industry's standards for similar positions at stations in similar markets. While compensation packages have improved modestly since last year's report, this ongoing situation is a problem. Staff turnover in a relatively small operation like WYSO's can impact operations dramatically, and identifying, securing, and retaining good talent in today's economy is not always easy, particularly in the not-for-profit sector. Since WYSO now boasts its most professional and team-oriented staff in many years, management is committed to doing everything it can reasonably do to become competitive within the industry.

- In October 1998, when current management was installed at WYSO, each member of the station's staff was asked to identify the three most pressing problems they wanted addressed to increase their productivity. Every staff member had the same item at the top of his or her list: voice mail. Management assumed that this would not be a relatively easy matter to resolve. Unfortunately, it is over eighteen months later and the problem appears nowhere closer to resolution than it was in 1998. Management understands that during this time a series of miscalculations and missteps (too numerous to detail herein) occurred in the process of attempting to upgrade the College's telephone system, and that absent such an upgrade (or total replacement of the existing system), WYSO cannot obtain voice mail service.

This is a very serious problem for WYSO. As the station continues to grow, its workload rises. As the station attracts new listeners and members, daily contact with the general public also continues to grow. When the staff is forced to act as phone receptionists, efficiency suffers greatly. Many hours of staff time are spent providing basic information and/or taking messages for staffers who are out or unavailable to answer calls. Providing automated answers to frequently asked questions and voice mail for staff would significantly decrease interruptions for staff.

During the first quarter, WYSO became aware that the ownership of the site upon which its broadcast tower and transmitter facilities are located had been transferred from its long-time landlord, the Wright State University Foundation, to P&R Communications Services, Inc., a Dayton-based company. Antioch University's Vice Chancellor/CFO and WYSO's General Manager met with P&R's representative during the early part of the second quarter. The meeting was cordial but, P&R presented a new lease agreement that was thoroughly objectionable to Antioch University and WYSO. Specifically, the monthly rental payment was proposed to rise from $75 per month to $1,500 per month.

Antioch University/WYSO rejected the P&R lease, as did Cedarville College/WCDR which also uses the tower. The two institutions expressed their opinion that the existing lease extend through the year 2007 (with a clause providing for biennial adjustments to rental payments pegged to the current consumer price index).

In the middle of the second quarter, Cedarville College filed suit in Greene County, OH against P&R, naming Antioch University in the same action. WYSO and WCDR agree on almost all matters pertaining to the current situation and remain in regular contact about the situation as it proceeds to an anticipated court date in August 2000.

An unfavorable decision could be potentially devastating. It would result in a massive increase in the tower rental costs or it could result in the need to move to and/or construct another tower site. Even the most favorable court decision will likely mean that WYSO will need to identify and/or construct another tower/broadcast transmitter facility by 2007 or risk a huge increase in rent or the possibility that P&R will choose not to offer any lease agreement beyond that time.

- Media and telecommunications convergence is placing new demands upon and creating new paradigms for traditional, terrestrial broadcasters. Until relatively recently, a radio station's website could safely be classified as an adjunct service. However, in recent months, even WYSO has had to confront the expectations of audience members who believe that the station should and must provide ancillary content on its website. In other words, the lines between radio broadcasting and web publishing are blurring at an increasingly rapid pace. To remain competitive, WYSO will need to devote more time and resources to the development of its website services. In keeping with this thinking, WYSO and other broadcasters will likely shift their operations from being broadcasters-only to being content providers.

- On another competitive front, satellite digital audio radio services (SDARS) are scheduled to begin operations in the United States beginning by this calendar year's end. Each of the two companies licensed to supply this new class of radio service --- Sirius Satellite Radio (www.siriusradio.com) and XM Satellite Radio (www.xmradio.com) --- are promising to deliver 100 channels of CD quality audio to subscribers coast-to-coast. Both Sirius and XM are promising that half of their channels will offer commercial-free music services, while the other half will be devoted to news, talk, information, sports, and entertainment programming. Sirius and XM will be available in homes, offices, and vehicles via small, cellular phone-sized antennas and specially designed receivers. Major electronics manufacturers will be selling these new receivers in the very near future. Additionally, all major automobile manufacturers have already signed deals with one or both of these U.S. SDARS companies.

  Eventually, it is anticipated that all vehicles will come with AM/FM/SDARS receivers as standard equipment. As opposed to cable radio services (such as DMX Music, www.dmxmusic.com), SDARS number one selling feature is its portability. Listeners will soon be able to travel from Maine to California and never have to worry about losing a radio signal. At this writing, both Sirius and XM are suggesting a monthly subscription fee of about $10.00 per month for access to their respective services.

Terrestrial broadcasters cannot predict how the marketplace will respond to SDARS. However, it is reasonable to assume that if the top 30-50 radio markets respond favorably (i.e., a market penetration of 60% or more is achieved in most of these regions), then traditional broadcasters will face significant and serious competition. Additionally, both NPR and PRI are developing programming for distribution via SDARS (although NPR, at least, is currently promising its member stations that NPR programming offered via SDARS will not compete with its terrestrially based member stations).

In this new media environment, WYSO recognizes that its current eclectic line-up of programs may not, ultimately, be sustainable. For example, if an SDARS subscriber can access, 24/7, not one but, several different channels devoted to jazz (traditional, fusion, smooth, etc.), it is questionable whether that same listener would take pains to seek out WYSO's current jazz service. To prepare for the possibility that SDARS will be a major media player, WYSO is focusing its attention on the growth and development of services SDARS will be unable to provide --- local and regional programming. WYSO management believes more of this type of programming must be a part of the station's overall service profile if it is to remain competitive and unique. The station also understands that producing high-quality local/regional programming is often more expensive than the purchase of national and other programming. Accordingly, WYSO will continue working to acquire the necessary resources to expand its locally-produced offerings, assuring that they meet or exceed the quality standards the station's listeners have come to expect.

- The WYSO Resource Board continues to evolve. However, management believes that the station can continue to keep apace with its growth in recent years only if recruitment efforts increase the Board's active membership and bring to that body the skills necessary to achieve WYSO's long-term objectives. In the next year, WYSO is looking forward to working with its Resource Board to develop realistic business, strategic, sales, and marketing plans. Management, in particular, is hopeful that it will be able to work with appropriate board members to acquire better, smarter finance and budgeting techniques.

II. THE 2000-01 BUDGET

WYSO's gift revenues are likely to achieve budgeted goals for the current fiscal year. Grant support from OETNC increased modestly this year, as did federal grants support from the CPB.

Underwriting support for WYSO and its programming from local and regional businesses and organizations continues to increase. Management has high expectations that this revenue stream will continue to experience significant growth in the year ahead and beyond. This will be especially likely considering the growth in professional personnel in the station's Development Department. As stated previously in this report, WYSO is extraordinarily pleased with the performance of its Development Department and, in particular, the dedication and considerable skill of its Development Director, Melodie Bennett. Her efforts are establishing many new business relationships and renewed respect for WYSO throughout the Miami Valley.

For the coming fiscal year, WYSO anticipates its major revenue streams producing as follows:

Gifts (listener support)	$330,000
Federal Grants (CPB)	83,148
State Grants (OETNC)	55,712
Underwriting	185,000
Other Income	20,864
TOTAL	**$674,724**

The two largest cost sectors for WYSO are staff salaries and the fees the station pays to acquire programming from NPR, PRI, and Pacifica. For the foreseeable future, the station will have critical needs for new office and broadcast equipment. This is particularly so as digital conversion becomes an imperative. Federal, state, and other grants support will assist in the digitization process, but there will also be cost burdens that WYSO will also be required to bear.

As noted in the last two year-end budget reports, WYSO still needs to secure a reliable back-up transmitter to assure consistent delivery of the broadcast service should the primary transmitter fail. And the current transmitter should have a generator or UPS (uninterrupted power supply) unit as part of the transmitter plant to assure continuation of the broadcast service in the event of power fluctuations and/or service disruptions from the Dayton Power & Light Company.

With the current, ongoing legal situation with P&R Communications, WYSO's new tower/transmitter site landlord, it is prudent for the station to begin exploring other transmitter tower/transmitter site opportunities. WYSO management, Antioch University administration, and the WYSO Resource Board anticipate that legal consultation fees may well rise, perhaps significantly, for at least the next year. Should WYSO need to relocate to a new tower/transmitter facility and/or need to construct such a facility, legal, filing, engineering, and other costs may also rise substantially.

For these significant but, as yet, unquantifiable costs, there may be the possibility of the station obtaining low interest loans from a new fund, potentially soon-to-be-established by the Station Resource Group (SRG), a membership organization of public radio's leading broadcasters. SRG's 46 members operate 164 public radio stations across the country, account for one-third of public radio's audience, and produce the majority of public radio's national programming. This fund may also help WYSO to refinance its current debt to the University. WYSO anticipates that it will become a member station of the SRG in the coming fiscal year.

Management believes that a major capital campaign will need to be organized and conducted within the next two to three years to allow WYSO to keep pace with the radio broadcast industry, remain competitive within the public radio community, and have the funds, above and beyond general operating expenses, to protect the University's investment in WYSO. Management is also hopeful that continued development of the WYSO Resource Board will soon allow the station to create the framework for the establishment of a WYSO Endowment Fund, thereby providing further protection of and stability within the station.

Steve Spencer
General Manager

WYSO

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues											
Tuition & Fees	0	0	0	0	0		*0*	0		0	
Less Tuition Discounts	0	0	0	0	0		*0*	0		0	
Gifts	286,465	304,831	310,000	349,152	39,152	12.63%	*330,000*	-19,152	-5.49%	20,000	6.45%
Grants	105,650	130,671	118,912	139,392	20,480	17.22%	*138,860*	-532	-0.38%	19,948	16.78%
Endowment Income	0	0	0	0	0		*0*	0		0	
Contracts	0	0	0	0	0		*0*	0		0	
Other Income	103,691	188,787	178,500	181,350	2,850	1.60%	*205,864*	24,514	13.52%	27,364	15.33%
Total E&G Revenue	495,806	624,289	607,412	669,894	62,482	10.29%	*674,724*	4,830	0.72%	67,312	11.08%
Auxiliary Enterprises	0	0	0	117	117		*0*	-117	-100.00%	0	
Released From Restrictions	0	6,948	0	7,286	7,286		*0*	-7,286	-100.00%	0	
Total Revenues	495,806	631,237	607,412	677,297	69,885	11.51%	*674,724*	-2,573	-0.38%	67,312	11.08%
Operating Expenses											
Instruction	0	0	0	0	0		*0*	0		0	
Research	0	0	0	0	0		*0*	0		0	
Public Service	466,098	598,389	581,364	606,048	24,684	4.25%	*644,676*	38,628	6.37%	63,312	10.89%
Academic Support	0	0	0	0	0		*0*	0		0	
Student Services	0	0	0	0	0		*0*	0		0	
Institutional Support	0	0	0	0	0		*0*	0		0	
Plant Maintenance	0	0	0	0	0		*0*	0		0	
Scholarships	0	0	0	0	0		*0*	0		0	
Total E&G Expenses	466,098	598,389	581,364	606,048	24,684	4.25%	*644,676*	38,628	6.37%	63,312	10.89%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	466,098	598,389	581,364	606,048	24,684	4.25%	*644,676*	38,628	6.37%	63,312	10.89%
Excess Revenue over Expenses	29,708	32,848	26,048	71,249	45,201	173.53%	*30,048*	-41,201	-57.83%	4,000	15.36%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	7,593	17,793	12,500	53,109	40,609	324.87%	*16,500*	-36,609	-68.93%	4,000	32.00%
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	14,621	15,055	13,548	17,732	4,184	30.88%	*13,548*	-4,184	-23.60%	0	0.00%
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	0	0	0	0	0		*0*	0		0	
Total Cash Items	22,214	32,848	26,048	70,841	44,793	171.96%	*30,048*	-40,793	-57.58%	4,000	15.36%
Net Cash Basis Budget	7,494	0	0	408	408		*0*	-408	-100.00%	0	

WYSO

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues	495,806	631,237	607,412	677,297	69,885	11.51%	674,724	-2,573	-0.38%	67,312	11.08%
Operating Expenses											
Salaries & Wages	154,726	201,437	217,236	221,964	4,728	2.18%	235,710	13,746	6.19%	18,474	8.50%
Benefits	50,777	65,625	61,673	62,752	1,079	1.75%	70,157	7,405	11.80%	8,484	13.76%
Training & Development	6,883	8,565	16,400	8,471	-7,929	-48.35%	20,530	12,059	142.36%	4,130	25.18%
Student Aid Services	0	0	0	0	0		0	0		0	
Special Events	0	0	0	0	0		0	0		0	
Supplies	3,756	6,402	7,950	20,706	12,756	160.45%	9,595	-11,111	-53.66%	1,645	20.69%
Business Operations	164,768	206,276	201,405	231,440	30,035	14.91%	234,462	3,022	1.31%	33,057	16.41%
Plant Maintenance	35,825	33,551	51,000	36,128	-14,872	-29.16%	48,200	12,072	33.41%	-2,800	-5.49%
Interest Expense	14,243	12,935	12,200	13,315	1,115	9.14%	12,520	-795	-5.97%	320	2.62%
Resale Costs	0	0	0	0	0		0	0		0	
Miscellaneous	24,636	52,727	2,500	400	-2,100	-84.00%	2,502	2,102	525.50%	2	0.08%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		0	0		0	
Campus Contingency, Discretionary	0	0	0	0	0		0	0		0	
Liquidity Reserve	0	0	0	0	0		0	0		0	
Overhead											
To the University	0	0	0	0	0		0	0		0	
Rebates form the University	0	0	0	0	0		0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	0		0	
Other (Intercampus Agree & Univ Conf)	10,484	10,871	11,000	10,872	-128	-1.16%	11,000	128	1.18%	0	0.00%
Depreciation	0	0	0	0	0		0	0		0	
Total Operating Expenses	466,098	598,389	581,364	606,048	24,684	4.25%	644,676	38,628	6.37%	63,312	10.89%
Excess Revenue over Expenses	29,708	32,848	26,048	71,249	45,201	173.53%	30,048	-41,201	-57.83%	4,000	15.36%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	7,593	17,793	12,500	53,109	40,609	324.87%	16,500	-36,609	-68.93%	4,000	32.00%
Borrowing Proceeds	0	0	0	0	0		0	0		0	
Principal Payments	14,621	15,055	13,548	17,732	4,184	30.88%	13,548	-4,184	-23.60%	0	0.00%
Prior Year Reserves	0	0	0	0	0		0	0		0	
Add back Depreciation	0	0	0	0	0		0	0		0	
Total Cash Items	22,214	32,848	26,048	70,841	44,793	171.96%	30,048	-40,793	-57.58%	4,000	15.36%
Net Cash Basis Budget	7,494	0	0	408	408		0	-408	-100.00%	0	

WYSO

2000-01 Capital Budget

Buildings	Amount
Total Buildings	0
Building Improvements	**Amount**
WYSO Wing Renovations	2,500
Total Building Improvements	2,500
Equipment	**Amount**
Computer Equipment	14,000
Total Equipment	14,000
Furniture & Fixtures	**Amount**
Total Furniture & Fixtures	0
Library Books	
Grand Total Capital Budget	**16,500**
	========

University Wide

2000-01 Proposed Budget Summary by Function

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	%	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	%	Change From 1999-00 Budget to 2000-01 Budget $	%
Revenues											
Tuition & Fees	0	0	0	0	0		0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	0		0	
Gifts	0	0	0	0	0		0	0		0	
Grants	118,352	133,318	120,000	120,000	0	0.00%	125,000	5,000	4.17%	5,000	4.17%
Endowment Income	0	0	95,578	95,578	0	0.00%	118,022	22,444	23.48%	22,444	23.48%
Contracts	0	0	0	0	0		0	0		0	
Other Income	1,014,207	1,069,945	417,400	1,193,970	776,570	186.05%	392,400	-801,570	-67.13%	-25,000	-5.99%
Total E&G Revenue	1,132,559	1,203,263	632,978	1,409,548	776,570	122.69%	635,422	-774,126	-54.92%	2,444	0.39%
Auxiliary Enterprises	0	0	0	0	0		0	0		0	
Released From Restrictions	240,582	249,688	304,686	347,267	42,581	13.98%	211,064	-136,203	-39.22%	-93,622	-30.73%
Total Revenues	1,373,141	1,452,951	937,664	1,756,815	819,151	87.36%	846,486	-910,329	-51.82%	-91,178	-9.72%
Net Overhead for Central Operations	602,569	481,253	455,415	642,255	-186,840	-41.03%	310,446	-331,809	-51.66%	-144,969	-31.83%
Operating Expenses											
Instruction	3,403	-61,305	0	1,034	1,034		0	-1,034	-100.00%	0	
Research	0	0	0	0	0		0	0		0	
Public Service	0	0	0	0	0		0	0		0	
Academic Support	166,224	81,578	261,724	216,841	-44,883	-17.15%	183,015	-33,826	-15.60%	-78,709	-30.07%
Student Services	0	0	0	0	0		0	0		0	
Institutional Support	348,779	309,760	660,617	182,639	-477,978	-72.35%	648,917	466,278	255.30%	-11,700	-1.77%
Plant Maintenance	2,503,482	2,721,206	2,620,000	2,763,000	143,000	5.46%	2,758,000	-5,000	-0.18%	138,000	5.27%
Scholarships	118,352	125,568	120,000	120,000	0	0.00%	125,000	5,000	4.17%	5,000	4.17%
Total E&G Expenses	3,140,240	3,176,807	3,662,341	3,283,514	-378,827	-10.34%	3,714,932	431,418	13.14%	52,591	1.44%
Auxiliary Enterprises	0	0	0	0	0		0	0		0	
Total Operating Expenses	3,140,240	3,176,807	3,662,341	3,283,514	-378,827	-10.34%	3,714,932	431,418	13.14%	52,591	1.44%
Excess Revenue over Expenses	-1,164,530	-1,242,603	-2,269,262	-884,444	1,011,138	44.56%	-2,558,000	-1,673,556	-189.22%	-288,738	-12.72%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	26,454	26,769	0	10,227	10,227		0	-10,227	-100.00%	0	
Borrowing Proceeds	0	0	0	0	0		0	0		0	
Principal Payments	451,921	84,121	350,738	242,649	-108,089	-30.82%	200,000	-42,649	-17.58%	-150,738	-42.98%
Prior Year Reserves	0	0	0	0	0		0	0		0	
Add back Depreciation	-2,503,482	-2,721,206	-2,620,000	-2,763,000	-143,000	-5.46%	-2,758,000	5,000	0.18%	-138,000	-5.27%
Total Cash Items	-2,025,107	-2,610,316	-2,269,262	-2,510,124	-240,862	-10.61%	-2,558,000	-47,876	-1.91%	-288,738	-12.72%
Net Cash Basis Budget	860,577	1,367,713	0	1,625,680	1,252,000		0	-1,625,680	-100.00%	0	

University Wide

2000-01 Proposed Budget Summary by Category

	1997-98 Actual	1998-99 Actual	1999-00 Budget	1999-00 Projected	Change From 1999-00 Budget to 1999-00 Projected $	Change From 1999-00 Budget to 1999-00 Projected %	Proposed 2000-01 Budget	Change From 1999-00 Projected to 2000-01 Budget $	Change From 1999-00 Projected to 2000-01 Budget %	Change From 1999-00 Budget to 2000-01 Budget $	Change From 1999-00 Budget to 2000-01 Budget %
Revenues	1,975,710	1,934,204	1,393,079	2,399,070	1,005,991	72.21%	***1,156,932***	-1,242,138	-51.78%	-236,147	-16.95%
Operating Expenses											
Salaries & Wages	88,491	152,192	110,457	187,468	77,011	69.72%	***121,404***	-66,064	-35.24%	10,947	9.91%
Benefits	127,177	16,084	67,102	46,058	-21,044	-31.36%	***80,994***	34,936	75.85%	13,892	20.70%
Training & Development	49,244	81,949	112,066	43,320	-68,746	-61.34%	***93,000***	49,680	114.68%	-19,066	-17.01%
Student Aid Services	0	0	0	0	0		***0***	0		0	
Special Events	0	0	0	0	0		***0***	0		0	
Supplies	1,508	9,510	4,900	6,348	1,448	29.55%	***1,300***	-5,048	-79.52%	-3,600	-73.47%
Business Operations	296,223	277,211	370,250	376,161	5,911	1.60%	***331,573***	-44,588	-11.85%	-38,677	-10.45%
Plant Maintenance	79,120	72,353	57,696	67,129	9,433	16.35%	***64,000***	-3,129	-4.66%	6,304	10.93%
Interest Expense	200,038	139,785	105,000	48,278	-56,722	-54.02%	***95,000***	46,722	96.78%	-10,000	-9.52%
Resale Costs	0	0	0	0	0		***0***	0		0	
Miscellaneous	2,506	-8,854	4,000	32,361	28,361	709.03%	***3,000***	-29,361	-90.73%	-1,000	-25.00%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	20,240	0	-20,240	-100.00%	***20,830***	20,830		590	2.92%
Campus Contingency, Discretionary	0	0	4,000	0	-4,000	-100.00%	***0***	0		-4,000	-100.00%
Liquidity Reserve	-376,001	-434,538	12,650	-466,275	-478,925	-3785.97%	***10,831***	477,106	-102.32%	-1,819	-14.38%
Overhead											
To the University	0	0	0	0	0		***0***	0		0	
Rebates form the University	0	0	0	0	0		***0***	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		***0***	0		0	
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	168,452	149,909	173,980	179,665	5,685	3.27%	***135,000***	-44,665	-24.86%	-38,980	-22.40%
Depreciation	2,503,482	2,721,206	2,620,000	2,763,000	143,000	5.46%	***2,758,000***	-5,000	-0.18%	138,000	5.27%
Total Operating Expenses	3,140,240	3,176,807	3,662,341	3,283,514	-378,827	-10.34%	***3,714,932***	431,418	13.14%	52,591	1.44%
Excess Revenue over Expenses	-1,164,530	-1,242,603	-2,269,262	-884,444	1,384,818	61.03%	***-2,558,000***	-1,673,556	-189.22%	-288,738	-12.72%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	26,454	26,769	0	10,227	10,227		***0***	-10,227	-100.00%	0	
Borrowing Proceeds	0	0	0	0	0		***0***	0		0	
Principal Payments	451,921	84,121	350,738	242,649	-108,089	-30.82%	***200,000***	-42,649	-17.58%	-150,738	-42.98%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	-2,503,482	-2,721,206	-2,620,000	-2,763,000	-143,000	-5.46%	***-2,758,000***	5,000	0.18%	-138,000	-5.27%
Total Cash Items	-2,025,107	-2,610,316	-2,269,262	-2,510,124	-240,862	-10.61%	***-2,558,000***	-47,876	-1.91%	-288,738	-12.72%
Net Cash Basis Budget	860,577	1,367,713	0	1,625,680	1,625,680		***0***	-1,625,680	-100.00%	0	

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 Brazil
AEA Buddhist Studies
AEA Egypt
AEA Germany
AEA Japan/ AEAMexico
AEA Overseas Non-AEA Program
AEA Women's Studies
AEA Thailand
AEA France
AEA Cape Verde
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

INSTRUCTION (Cont'd):
Organization & Management
Applied Psychology
Clinical Psychology
IMA
Weekend Program
Intercultural Relations
Conflict Resolution
Environment & Community
Fine Arts

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

STUDENT SERVICES Cont'd:
Infirmary
Counseling
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

<u>SALARIES & WAGES</u>: 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

<u>BENEFITS</u>: 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

<u>TRAINING & DEVELOPMENT</u>: Non-Contracted Expenses for Trg & Develop
Business Travel
Local Meetings/Workshops
Professional Development
Employee Recruiting
Program Development

<u>STUDENT AID</u>:
Restricted Grant Scholarships
Student Vouchers

<u>SPECIAL EVENTS</u>:
Graduation
Orientation
Miscellaneous Special Events

<u>SUPPLIES</u>:
Office Supplies
Instructional Supplies
Research Supplies
Duplicating Supplies
Computer Supplies
Computer Software
Maintenance Supplies
Furniture Supplies
Equipment Supplies
Library Supplies
Food Supplies
Miscellaneous Supplies

<u>BUSINESS OPERATIONS COSTS</u>: 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

<u>PLANT MAINTENANCE COSTS</u>: Costs Related to Facilities
Maintenance Contracts & Repairs
Computer Maintenance
Purchased Services
Utilities
Vehicle Operation
Facility Rental
Equipment Rental
Insurance/Taxes

<u>DEPRECIATION:</u>

<u>INTEREST EXPENSE</u>:
Interest
Bank Charges (include credit card charges)

<u>RESALE COSTS</u>:
Books for Resale
Computers for Resale
Supplies for Resale

<u>MISCELLANEOUS COSTS</u>:
Miscellaneous
Student Activities
Student Insurance
Payments to Annuitants

<u>CONTINGENCY/RESERVES</u>:
Campus Contingency, Mandated
Campus Contingency, Discretionary
Liquidity Reserve
Honoraria/Stipends

<u>OVERHEAD COSTS</u>:
Regional Overhead
University Overhead/Rebate
University Conference
College Fund
Operation Subsidy
Inter-Campus Agreements