ANTIOCH UNIVERSITY

REPORT TO THE BOARD OF TRUSTEES

2001-02 YEAR END PROJECTION

2002-03 PROPOSED BUDGET

APPROVED BY THE BOARD JUNE 8, 2002

June 6 – 8, 2002

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I. INTRODUCTION

The 2002-03 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 2001-02 experience dictated changes for 2002-03 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 2001-02 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 2001-02 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 on June 30.

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. In addition, as of this Report, depreciation is recorded for each campus and operating unit in accord with FASB 93.

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 2001-02 Year-End Projection section on page 7.

II. FORMAT AND CONTENT

The 2002-03 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. 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 2002-03 that are also presented as 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 2002-03. 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 2002-03. 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 new tuition and fees for the College at the February meeting. Early action on College tuition and fee rates is necessary 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 2002-03 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, regardless of donor restrictions. The Accounting Office reports gifts on an accrual basis, and restricted gifts are not reported in the operating budget until they are Released from Restrictions. 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 income can be expended to satisfy the purpose of the donor. All expenditures from the Endowment Fund are governed by Board of Trustee policy designed to protect the principal, meet donor conditions, and assure fund growth. Endowment income appears on the Released from Restrictions line when expended. The Endowment Income line shows only income from endowment accounts that have no specified purpose.

The Function schedule in this report for Antioch University as well as the Function schedules for University 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 University Administration and the University Wide expenses budget would appear as a "negative expense" entry, but the Board of Trustees has requested that central operations be displayed more in keeping with the way the budgets of the individual Campuses are displayed. Accordingly, this line has been added to these three schedules and appears as a quasi-revenue entry. It shows how much is transferred from the operating units to meet the costs of central operations and it clearly separates the "revenue" of the central operations from their expenses and makes it easier to see the true cost of these units.

The Operating Expenses section of the Function schedule provides financial information for each of the primary activities or programs. Each operating department of the University is classified in accordance with its primary function. For example, the Languages Department of the College is classified as Instruction and all of its expenditures will be combined with those of other teaching departments and reported on the Instruction line of the Function schedules. A list of the Cost Centers that comprise each of the Functions is presented on page 94.

The columns of the 2002-03 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 1999-2000 and 2000-01 actual expenditure history. The third column contains the 2001-02 Budget as revised by the Board of Trustees and the fourth column contains information about how each of the Campuses anticipate their 2001-02 Budget will appear at the end of the current fiscal year. That is, the 2001-02 Adjusted Budget column is the plan for the current year while the 2001-02 Projected column shows how the plan is likely to play out. The next two columns, Change from 2001-02 Budget to 2001-02 Projected show the dollar amount and percentage variance between the plan for the current year the likely outcome at June 30.

Because the Proposed 2002-03 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 2002-03 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 2002-03 Budget with the 2001-02 Projected outcome, and the last two columns compare the Proposed 2002-03 Budget with the 2001-02 Budget as adjusted 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 2002-03 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 95.

A section of these schedules show the Contingency/Reserves that the Campuses are required to budget. The "Campus Contingency, Mandatory" amount is budgeted at 1% of total revenue. This Reserve will be retained centrally until the University Administration is reasonably sure that the campuses' 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 have the opportunity to reserve money in an account in the Major Capital Improvement Fund. This fund has been established to permit campuses to prepare for predictable future capital purchases such as roof replacements. Deposits to the Major Capital Improvement Fund are budgeted on this line. Not all Campuses elect to place funds in this Reserve.

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

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

The Overhead section of the Summary by Category schedule shows the assessments that were made against the student derived revenue of each campus in order to support operations of the University. Although overhead was assessed at 13.75% in prior years, Rebates reduced the effective Overhead rate. The Other line in this section of the Category schedule shows the effect of various contractual relationships between Campuses as well as certain University-wide assessments, such as for the University Conference. The University Conference is not scheduled to be held during 2002-03.

In 2002-03, Overhead was allocated to the non-residential campuses and other units in proportion to the size of their operating budgets. The total is $2.8 million.

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

V. 2001-02 YEAR-END PROJECTION

With less than two months remaining in the 2001-02 fiscal year, it appears that the University will experience an annual operating deficit. The adjusted budget approved by the Board of Trustees in February contemplated an accrual budget deficit of -$1,169,172. At the present time, we are projecting a deficit that is very close to that number, but several revenue and expense factors have changed from the projection made in February, and conditions may change between now and the end of the fiscal year.

Virtually all of the revenue categories are projected to be below the level anticipated by the Adjusted Budget. For the University as a whole, GrossTuition & Fees are above the budgeted level by $342,013, but Tuition Discounts have more than absorbed that excess which means that net tuition revenue is down by about -$100,000.

2001-02 TUITION AND FEE REVENUE PROJECTIONS

	2001-02 Budgeted*	2001-02 Projected	Variance
Antioch College	13,109,448	13,333,447	223,999
Glen Helen	115,750	116,818	1,068
New England	9,166,305	8,951,385	-214,920
Seattle	9,112,698	8,897,500	-215,198
Leadership & Change	125,000	100,000	-25,000
Southern California	10,433,670	10,880,954	447,284
McGregor	5,120,040	5,244,820	124,780
TOTALS	$47,182,911	$47,524,924	$342,013

*as revised by the Board of Trustees

The above table shows that the University is projected to have gross tuition revenue of $342,013 more than was estimated in the Adjusted Budget, despite the fact that New England and Seattle are experiencing Tuition and Fee shortfalls. The additional $342,013 is less than 1% of the budgeted gross tuition and fee income, but it is more than offset by the awarding of $440,662 in unplanned Tuition Discounts. The excess Tuition Discounts are nearly 12% more than were contemplated in the Adjusted Budget. Most of the additional Discounts were awarded by the College ($365,689).

Gifts Income is currently projected to be -$455,468 (-17.75%) below the Adjusted Budget. The major shortfalls in gift income occurred at the College (-$220,191), New England (-161,218) and McGregor (-$121,632).

Lead Gifts is currently -$145,033 below the Adjusted Budget level, Endowment Income is down -$282,532 and Other Income is down -$462,368. Fortunately, Contracts Income is running ahead of budget by $179,141, as is Auxiliary Enterprises ($298,053) and Released from Restrictions ($531,661). In the aggregate, total Revenues are projected to be about 1.0% (-$593,380) below the Adjusted Budget.

Although total revenue is projected to be below the Adjusted Budget, Total Operating Expenses are projected to be even lower, thereby reducing the budgeted deficit. As things now stand, Total Operating Expenses are expected to be -$837,857 (-1.35%) below the Budgeted expense level. By operating expense Category, Salaries & Wages are about 2% higher ($608,126) than assumed in the Adjusted Budget, but Benefits are holding at the budget level. Training & Development, a category that includes most employee travel, is down nearly 18% (-$317,343) as is Student Aid Services (-2.74%), Special Events (-17.28%), Supplies (-14.47%) and Business Operations (-9.22%). One of the factors lowering the cost of Business Operations is the administrative consolidation in Yellow Springs that resulted from the work of the Stabilization Task Force. Although not all elements of the original plan were adopted by the full Board of Trustees, implementation has already started and savings are being realized in the 2001-02 fiscal year. Business Operations savings are also being realized at all campuses as part of a concerted effort to lower operating expenses. Plant Maintenance, Interest Expense, and Resale Costs are each projected to be slightly above the Adjusted Budget. In aggregate, the overage for the three is expected to total about $121,600.

One of the most dramatic changes made by the Stabilization Task Force was to assign depreciation expense to the campuses and other operating units. Before 1997, most Universities did not report depreciation on their academic buildings and equipment because depreciation is not an expenditure of resources. In 1987, Financial Accounting Standards Board Statement Number 93, "Recognition of Depreciation by Non-for-Profit Organizations" (FASB93), required that colleges and universities report depreciation in general purpose external financing statements. Because Antioch did not have the account detail available to immediately reflect depreciation, the University's audited financial statements do not reflect depreciation until 1990-91, at which time accumulated depreciation related to prior years was recorded along with the current year depreciation.

Between the time Antioch began reporting depreciation and 2000-01, depreciation was budgeted on a University-Wide basis. During 2001-02, the Stabilization Task Force reviewed the way depreciation was budgeted and concluded that depreciation should be budgeted at the campus level. As a result, the revised 2001-02 budget moved depreciation from the University-wide account and added it to the budgets of the campuses and the other operating units. Depreciation in the 2001-02 adjusted budget is $2,930,000 and $2,885,195 in the budget proposed for 2002-03.

The non-residential campuses are expecting to end 2001-02 with positive accrual and cash balances. As the following table shows, the positive balances at the non-residential campuses are more than offset by the anticipated deficit at the College. While these College deficits are certainly significant, they are projected to be lower than in the Adjusted Budget. The Adjusted Budget called for the College to have an accrual deficit of -$1,980,519 but the projected accrual deficit is likely to be about half a million dollars less. Similarly, the cash deficit was anticipated to be nearly $1.3 million, but the projected cash deficit is expected to be more than $600,000 less.

2001-02 PROJECTED YEAR-END BALANCES

	ANTIOCH COLLEGE	GLEN HELEN	NEW ENGLAND	SEATTLE	SOUTHERN CALIFORNIA	ANTIOCH McGREGOR	UNIVERSITY ADMIN.	WYSO
TOTAL REVENUE	17,465,316	745,014	10,921,635	9,631,805	11,476,186	5,266,486	1,785,879	853,074
TOTAL EXPENSES	18,936,899	591,185	10,835,477	9,527,662	10,843,721	5,151,546	1,768,683	866,464
ACCRUAL BALANCE	-1,471,583	153,829	86,158	104,143	632,465	114,940	17,196	-13,390
NET CASH BALANCE	-652,045	17,175	161,948	49,206	588,580	101,570	0	-4,213

The College is aware of a number of physical plant problems, some of which require urgent attention. For example, mold and bacteria contamination in Spalt and the Presidents units must be addressed before these units can be used to house students. The exact cost of the remediation that will be required is not known at this time, but it is likely that some of the cost of the clean up will be charged against the 2001-02 fiscal year. Similarly, one of the towers on Antioch Hall has been dislodged by high wind and the rotting of its wooden support base. Immediate repair is required to prevent the tower from being blown off of the building. The cost of this repair is not yet known, but because of the height of the tower, it is expected to be significant.

Modest balances remain from the $2.2 million Ohio Bond Funding that was acquired two years ago. It is possible that some of this funding can be used to cover the capital costs of the mold remediation project and to repair the tower. However, it is certain that this funding will not be sufficient to cover all of the costs of the mold remediation.

VI. 2002-03 BUDGET OVERVIEW

Tuition and Fee income represents the single largest source of revenue for the University. In recent years, optimistic projections of future tuition and fee income have proven difficult to reach, although tuition and fee income has grown steadily for several years. In 2001-02, the Adjusted Budget anticipates an increase in gross Tuition & Fees of nearly $2.8 million (6.3%) and the current projections indicate that the campuses should reach this target. The proposed budget for 2002-03 anticipates more optimistic increase in tuition and fee revenue, but the additional $4,496,500 (9.46%) contains two significant elements. First, the PhD in Leadership & Change will add an additional cohort that is nearly double the size of the initial group of students. This second cohort, plus a full year of tuition and fees from the first cohort, represents nearly a 500% increase in Tuition & Fee Revenue for the program. The second element is the significant increase in tuition at the College. Tuition & Fee revenue are anticipated to increase by more than $1.6 million (12.53%) primarily in response to the effort to increase enrollment through the use of larger tuition discounts. Part of the anticipated growth is due to the 3% rate increase approved by the Board of Trustees in February, but the additional students that are expected to attend is the most significant factor. The revised Tuition Discount program was presented to the Board at the February meeting, and the plan was generally accepted, although some concern remains about whether the stated goals can be accomplished.

The plan assumes that additional students would attend the College if the College was more price competitive. Analysis by consultant Tom Clough and Dean of Admissions Michael Murphy indicate that the College was not competitive for students who could afford to pay the full tuition cost, nor was it competitive for those students who have considerable financial need. By increasing the size of tuition discounts offered to these two groups, the plan suggests that total enrollment can be increased.

While gross tuition revenue is expected to increase at the College as the number of students grows, significantly increasing the size of tuition discounts will minimize the increase in net tuition income.

CHANGE IN 2002-03 BUDGETED GROSS TUITION AND FEE REVENUE

	2001-02 Projected	2002-03 Budgeted	Variance	Percent Change
Antioch College	13,333,447	15,003,888	1,670,441	12.53%
Glen Helen	116,818	114,142	-2,676	-2.29%
New England	8,951,385	9,352,060	400,675	4.48%
Seattle	8,897,500	9,882,381	984,881	11.07%
Leadership & Change	100,000	598,250	498,250	498.25%
Southern California	10,880,954	11,492,460	611,506	5.62%
McGregor	5,244,820	5,578,243	333,423	6.36%
TOTALS	$47,524,924	$52,021,424	$4,496,500	9.46%

The above table shows the changes in budgeted Tuition & Fee revenue by campus and compares the budgeted amount with the amount projected for 2001-02. With the exception of the PhD in Leadership & Change and the College, only Seattle is projecting a double-digit increase in gross tuition revenue. At the College, some of the increase is associated with the Antioch Education Abroad program. Of the College total, $270,356 is new tuition and fee revenue derived from AEA, and this represents a 20% increase in AEA Tuition and Fees. If the AEA portion of the total is subtracted from the College total of $1,670,441, the balance associated with the College is about $1.4 million. However, this increase in gross tuition is possible only with a significant increase in Tuition Discounts.

2002-03 BUDGETED TUITION DISCOUNTS

	2001-02 Projected	2002-03 Budgeted	Variance	Percent Change
Antioch College	3,895,068	5,365,000	1,469,932	37.74%
Glen Helen	0	0	0	
New England	0	0	0	
Seattle	130,113	83,000	-47,113	-36.21%
Leadership & Change	7,500	5,500	-2,000	-26.67%
Southern California	123,684	130,500	6,816	5.51%
McGregor	75,186	0	-75,186	-100.00%
TOTALS	$4,231,551	$5,584,000	$1,352,449	31.96%

As you can see from the above table, Tuition Discounts at the College will increase by $1,469,932 (37.74%) which is slightly more than the gross tuition gain being shown by the College.

Although net tuition will likely show a slight decrease in 2002-03, room and board fees should increase by about $400,000 as a result of additional students being on campus.

The table above showing budgeted tuition discounts shows a significant decrease for Antioch McGregor. In 2001-02, McGregor is projecting tuition discounts of over $75,000, but no tuition discounts in 2002-03. The change is due to the correction of an accounting procedure rather than any policy shift. In 2001-02, tuition discounts provided to employees were shown by McGregor on the Tuition Discounts line rather than as a fringe benefit. In the proposed budget, tuition discounts for employees are currently budgeted as fringe benefits and the benefits line for McGregor contains a comparable employee tuition discount cost.

While Gifts income will decrease by more than 6% on a budget-to-budget basis, Gifts are expected to increase by nearly $300,000 (13.9%) over the amount projected for 2001-02. Nearly all of this increase is contained in the College budget where the Gifts budget is $1.6 million for 2002-03 compared with $1.33 million for the current year.

The Lead Gifts line is not being budgeted in 2002-03. This is not because the College could not use additional gifts to support the campaign or other major initiatives, but because it is not prudent to anticipate these kinds of gifts as part of the operating budget. Rather, the proposed budget attempts to recognize all known costs and associate them with predictable revenues. Grant Income in 2002-03 is expected to be below the level in the prior budget and the amount projected to be received in 2002-03. While additional grant proposals are being written, the emphasis is on a conservative but realistic approach to projecting Grants Income. Endowment Income is budgeted at 9% ($33,500) more than in the previous budget, but considerably more than the amount projected for 2001-02. For the second year in a row, the stock market has struggled unsuccessfully to move ahead. As a result, endowment income has been down in each of the last two calendar years. While the market continues to struggle, there are signs that the economic downturn is abating and that the price of equities will improve during the next fiscal year.

Contracts have been budgeted conservatively at 1.3% above the prior budget level, while Other Income is projected to be 15% below the level of the previous budget. For the University as a whole, operating revenue is expected to be 6.65% ($3.85 million) more than in the previous budget, or 7.76% ($4.44 million) greater than the amount being projected for 2001-02.

The summary schedules for the entire University contain a line called Net Overhead for Central Operations. A total of $2.8 million is budgeted for University Administration and other University Wide operations in 2002-03. This represents a -10.39% (-$324,497) reduction from the 2001-02 level, as considerable efforts where made to reduce central expenditures to lessen pressure on the campuses.

NET OVERHEAD AS A PERCENTAGE OF CAMPUS TUITION

	Overhead	Percent of Tuition
College	$0	0
New England	$743,325	7.95
Seattle	$739,060	7.48
Southern California	$843,660	7.34
McGregor	$412,061	7.39

In previous years, overhead expense was allocated on the basis of net student derived income which meant that some types of revenue were not subject to overhead. The Stabilization Task Force recommended that a new methodology be adopted that recognized that central administrative expenses and the cost of assisting the College not be solely charged against Tuition & Fees. The Task Force also recommended that the College be exempted from paying overhead during 2002-03 as a transitional device until the College is able to bring its future revenues and expenses into alignment. This indirect subsidy is worth about $800,000 to the College in 2002-03.

As a percentage of gross tuition and fee income, Net Overhead for Central Operations constitutes 5.38%. If overhead is calculated against all operating revenues, the rate would be 4.54%.

Released from Restrictions will increase by slightly more than 60% ($1.4 million) primarily because of the Gates Foundation Grant at Seattle and additional spending in support of the Capital Campaign. In 2002-03, $1,154,953 of the Released from Restrictions amount is attributable to the Campaign. This amount will be expended in the following ways:

Salaries & Wages	$ 348,060
Benefits	100,963
Training & Development	200,000
Special Events	50,000
Supplies	18,000
Business Operations	437,930

This additional spending significantly influences the year-to-year changes shown in the above categories for the College and the University as a whole.

Salaries & Wages will increase by $1,132,521 (3.93%) over the previous budget, primarily as a result of salary and wage increases.

CONDITIONAL SALARY INCREASES FOR 2002-03

College	A 2% across-the-board salary increase has been budgeted for faculty and staff. Represented employees will receive the increases authorized in their contracts.
New England	An across-the-board salary increase of 3.5% is proposed for faculty and staff.
Seattle	AUS is budgeting a 2% general salary increase. At mid-year, the campus will assess whether or not projected revenues have materialized, and, if so, may use mandatory contingency funds to provide an additional 2% increase. There is the possibility that the faculty may have the opportunity to further increase their salaries if they approve a proposed work redistribution plan.
Southern California	A 3% salary increase is proposed for all AUSC employees, excluding adjunct and associate teaching staff.
McGregor	McGregor is planning a 3% salary increase for faculty. Staff represented by the union will receive the increase negotiated when the contract was signed three years ago.
University Administration	An across-the-board increase of 2% is contemplated for all staff.

As the above table shows, all campuses have been conservative in the size of their salary increases as a result of a ULC decision to restrict salary increases. Fringe benefit costs, on the other hand, will increase more than 12% ($1,059,687) in 2002-03 primarily because of the growing cost of health care services. Campuses and operating units have been asked to plan for a 15% increase in health care costs starting January 1, 2003. At the time the budget was being developed, this seemed to be an adequate increase, but cost escalations are beginning to suggest that the 15% increase cannot be delayed until January 1. (While there is little consolation in the fact, many other colleges are finding that medical insurance is becoming a budget-buster. Oberlin College officials said in April that the institution expects to run budget deficits for at least the next three years, in part because of rising health care costs. Oberlin's insurance premiums have remained constant at about $5 million annually for several years, then jumped to $7.2 million last year. They are expected to hit $9.4 million this year.) Other fringe benefit costs that have grown rapidly are worker's compensation in California. The costs of this benefit have decreased in Ohio during the past several years, but California is experiencing a major increase.

Training and Development costs will increase in 2002-03 by $485,924 (7.26%) as campuses attempt to reinstate some of the professional development funds which had been cut in recent years. At the College, Training and Development will increase by $277,659 (53.56%) as travel expenses are expanded for the Capital Campaign and in the Admissions Office. Additional travel is needed to support both of these initiatives.

The capital expenditures are decreasing from the 2001-02 level, but this is somewhat misleading. In the last two years, bond funds have been available to the College and McGregor which have enabled them to make capital expenditures that they otherwise could not have funded. In 2002-03, capital expenditures are being funded from operating funds, including depreciation, rather than by acquiring additional debt. Therefore, although there has been a decline in the total amount of capital expenditures, there has been an even more significant decline in borrowing. The consequences of requiring the campuses and operating units to directly budget depreciation is becoming apparent: facilities will be better maintained and new equipment will be acquired when needed.

VII. SUMMARY OBSERVATIONS

Although the 2001-02 fiscal year will end with a deficit, the deficit should not be as large as in the previous year or as large as contemplated in the Adjusted Budget. Considerable work has been done to reduce expenses and to increase the accuracy of revenue projections. At the moment, the projected deficit is expected to be under $1.0 million, but circumstances could increase or decrease this outcome. The College has not utilized the Drey revolving fund ($200,000), and the annual fund could finish with a greater number of gifts than projected ($250,000). In addition, improvements in the stock market could raise the value of the endowment and the higher values would be reported as gains for the year. During 2001-02 there has been only one major bequest and the level of bequests is below average. There is no way to know whether any of these events will occur and to what extent they will affect the year-end balance.

On the negative side, it appears that we will need to increase the "run out" reserve for our self-funded medical plan, but it is unclear how much additional funding will be required. Last year, the run out cost was about $300,000.

Although the College will experience a deficit in 2001-02 that will likely put the entire University into negative numbers, the new president is pursuing a strategy to control costs while meeting critical needs. In 2002-03 the deficit will be reduced by half from the 2001-02 level and it should be possible to reach break-even in 2003-04. Even with the College operating at a deficit in 2002-03, the University as a whole should be able to have a positive accrual balance at year end.

The largest variable in the 2002-03 budget is the plan to increase College enrollment by providing additional Tuition Discounts. At present, student deposits are running well ahead of last year at this time, as they have been since the new policy was implemented. This is not a guarantee that fall enrollments will reach the designated target, but it is a very positive sign. In addition, at this point the average Tuition Discount promised to those potential students who have made deposits is within the projected per student cost limit. If the average tuition discount in the incoming class stays below the target number, and if the College makes its target enrollment of 232 entering students, the budgeted net tuition revenue goal will be realized. In addition, if a larger than expected number of applicants accept the higher discounts, there will be no revenue problem so long as the average tuition discount remains at or below the target limit.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

Antioch University

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	*Proposed 2002-03 Budget*	Change From *2001-02 Projected to 2002-03 Budget* $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues											
Tuition & Fees	41,348,919	44,398,876	47,182,911	47,524,924	342,013	0.72%	*52,021,424*	4,496,500	9.46%	4,838,513	10.25%
Less Tuition Discounts	-3,551,561	-3,306,727	-3,790,889	-4,231,551	-440,662	-11.62%	*-5,584,000*	-1,352,449	-31.96%	-1,793,111	-47.30%
Gifts	2,076,954	2,236,510	2,566,272	2,110,804	-455,468	-17.75%	*2,404,124*	293,320	13.90%	-162,148	-6.32%
Lead Gifts		639,612	645,033	500,000	-145,033	-22.48%	*0*	-500,000	-100.00%	-645,033	-100.00%
Grants	2,881,550	2,713,223	3,694,384	3,536,199	-158,185	-4.28%	*3,294,362*	-241,837	-6.84%	-400,022	-10.83%
Endowment Income	137,379	131,939	367,266	84,734	-282,532	-76.93%	*400,778*	316,044	372.98%	33,512	9.12%
Contracts	750,104	735,518	213,239	392,380	179,141	84.01%	*216,069*	-176,311	-44.93%	2,830	1.33%
Other Income	2,859,931	1,811,093	1,291,725	829,357	-462,368	-35.79%	*1,096,715*	267,358	32.24%	-195,010	-15.10%
Total E&G Revenue	46,503,276	49,360,044	52,169,941	50,746,847	-1,423,094	-2.73%	*53,849,472*	3,102,625	6.11%	1,679,531	3.22%
Auxiliary Enterprises	3,359,625	3,403,528	3,324,278	3,622,331	298,053	8.97%	*4,067,753*	445,422	12.30%	743,975	22.38%
Released From Restrictions	3,626,176	2,672,477	2,359,431	2,891,092	531,661	22.53%	*3,784,337*	893,245	30.90%	1,424,906	60.39%
Total Revenues	53,489,077	55,436,049	57,853,650	57,260,270	-593,380	-1.03%	*61,701,562*	4,441,292	7.76%	3,847,912	6.65%
Net Overhead for Central Operations	2,557,615	2,549,500	3,124,497	3,124,497	0	0.00%	*2,800,000*	-324,497	-10.39%	-324,497	-10.39%
Operating Expenses											
Instruction	17,912,674	19,155,718	20,711,438	20,041,312	-670,126	-3.24%	*22,487,149*	2,445,837	12.20%	1,775,711	8.57%
Research	1,400	8,600	0	0	0		*0*	0		0	
Public Service	2,585,686	2,769,484	3,160,349	2,895,452	-264,897	-8.38%	*2,522,261*	-373,191	-12.89%	-638,088	-20.19%
Academic Support	3,018,770	3,394,285	3,224,720	3,230,749	6,029	0.19%	*3,313,870*	83,121	2.57%	89,150	2.76%
Student Services	5,658,367	5,798,767	5,849,302	5,824,471	-24,831	-0.42%	*6,675,382*	850,911	14.61%	826,080	14.12%
Institutional Support	13,657,747	14,967,606	15,746,430	15,953,923	207,493	1.32%	*16,362,065*	408,142	2.56%	615,635	3.91%
Plant Maintenance	7,277,758	7,742,236	7,677,721	7,788,388	110,667	1.44%	*7,885,122*	96,734	1.24%	207,401	2.70%
Scholarships	2,617,409	2,974,725	3,057,438	2,862,844	-194,594	-6.36%	*2,824,922*	-37,922	-1.32%	-232,516	-7.60%
Total E&G Expenses	52,729,811	56,811,421	59,427,398	58,598,019	-829,379	-1.40%	*62,070,771*	3,472,752	5.93%	2,643,373	4.45%
Auxiliary Enterprises	2,834,026	2,816,991	2,719,921	2,711,443	-8,478	-0.31%	*2,969,112*	257,669	9.50%	249,191	9.16%
Total Operating Expenses	55,563,837	59,628,412	62,147,319	61,309,462	-837,857	-1.35%	*65,039,883*	3,730,421	6.08%	2,892,564	4.65%
Excess Revenue over Expenses	482,855	-1,642,863	-1,169,172	-924,695	244,477	20.91%	*-538,321*	386,374	41.78%	630,851	53.96%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	1,530,101	2,339,424	1,766,678	1,784,186	17,508	0.99%	*1,438,363*	-345,823	-19.38%	-328,315	-18.58%
Borrowing Proceeds	-194,921	-1,953,394	-656,609	-541,580	115,029	17.52%	*-211,000*	330,580	61.04%	445,609	67.87%
Principal Payments	740,635	870,166	988,175	1,014,049	25,874	2.62%	*754,106*	-259,943	-25.63%	-234,069	-23.69%
Prior Year Reserves	-265,547	0	-85,000	-85,000	0		*0*	85,000	100.00%	85,000	100.00%
Add back Depreciation	-2,785,307	-2,920,157	-2,930,000	-2,911,966	18,034	0.62%	*-2,885,195*	26,771	0.92%	44,805	1.53%
Total Cash Items	-975,039	-1,663,961	-916,756	-740,311	176,445	19.25%	*-903,726*	-163,415	-22.07%	13,030	1.42%
Net Cash Basis Budget	1,457,894	21,098	-252,416	-184,384	68,032	26.95%	*365,405*	549,789	-298.18%	617,821	244.76%

Antioch University

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	*Proposed 2002-03 Budget*	Change From *2001-02 Projected to 2002-03 Budget* $	Change From *2001-02 Projected to 2002-03 Budget* %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues	56,046,692	57,985,549	60,978,147	60,384,767	-593,380	-0.97%	*64,501,562*	4,116,795	6.82%	3,523,415	5.78%
Operating Expenses											
Salaries & Wages	26,208,729	28,187,651	28,840,689	29,448,815	608,126	2.11%	*29,973,210*	524,395	1.78%	1,132,521	3.93%
Benefits	7,282,238	7,935,901	8,641,390	8,618,633	-22,757	-0.26%	*9,701,077*	1,082,444	12.56%	1,059,687	12.26%
Training & Development	1,690,358	1,667,923	1,782,482	1,465,139	-317,343	-17.80%	*2,268,406*	803,267	54.83%	485,924	27.26%
Student Aid Services	1,248,245	1,646,150	1,702,154	1,638,537	-63,617	-3.74%	*1,585,712*	-52,825	-3.22%	-116,442	-6.84%
Special Events	311,849	245,279	277,356	228,941	-47,915	-17.28%	*331,232*	102,291	44.68%	54,376	19.61%
Supplies	1,432,150	1,371,591	1,472,860	1,259,740	-213,120	-14.47%	*1,454,606*	194,866	15.47%	-18,254	-1.24%
Business Operations	5,995,908	6,454,261	6,591,658	5,983,734	-607,924	-9.22%	*6,589,624*	605,890	10.13%	-2,034	-0.03%
Plant Maintenance	3,254,441	3,765,560	3,841,871	3,886,435	44,564	1.16%	*4,004,882*	118,447	3.05%	163,011	4.24%
Interest Expense	1,390,627	1,530,194	1,408,340	1,465,665	57,325	4.07%	*1,330,541*	-135,124	-9.22%	-77,799	-5.52%
Resale Costs	776,230	779,124	678,352	698,043	19,691	2.90%	*724,500*	26,457	3.79%	46,148	6.80%
Miscellaneous	380,985	389,494	471,714	423,284	-48,430	-10.27%	*519,395*	96,111	22.71%	47,681	10.11%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		*398,357*	398,357		398,357	
Campus Contingency, Discretionary	5,400	16,000	130,159	0	-130,159	-100.00%	*248,697*	248,697		118,538	91.07%
Liquidity Reserve	0	0	0	0	0		*0*	0		0	
Overhead											
To the University	4,813,816	4,983,195	3,124,497	3,124,495	-2	0.00%	*2,800,000*	-324,495	-10.39%	-324,497	-10.39%
Rebates from the University	-1,856,201	-2,033,695	0	0	0		*0*	0		0	
Subsidy from Adult Campuses	-5	0	0	0	0		*0*	0		0	
Subsidy from Overhead	-400,000	-400,000	0	0	0		*0*	0		0	
Other (Intercampus Agree & Univ Conf)	243,760	169,627	253,797	156,035	-97,762	-38.52%	*224,449*	68,414	43.85%	-29,348	-11.56%
Depreciation	2,785,307	2,920,157	2,930,000	2,911,966	-18,034	-0.62%	*2,885,195*	-26,771	-0.92%	-14,805	-0.51%
Total Operating Expenses	55,563,837	59,628,412	62,147,319	61,309,462	-837,857	-1.35%	*65,039,883*	3,730,421	6.08%	2,892,564	4.65%
Excess Revenue over Expenses	482,855	-1,642,863	-1,169,172	-924,695	244,477	20.91%	*-538,321*	386,374	41.78%	630,851	53.96%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	1,530,101	2,339,424	1,766,678	1,784,186	17,508	0.99%	*1,438,363*	-345,823	-19.38%	-328,315	-18.58%
Borrowing Proceeds	-194,921	-1,953,394	-656,609	-541,580	115,029	17.52%	*-211,000*	330,580	61.04%	445,609	67.87%
Principal Payments	740,635	870,166	988,175	1,014,049	25,874	2.62%	*754,106*	-259,943	-25.63%	-234,069	-23.69%
Prior Year Reserves	-265,547	0	-85,000	-85,000	0	0.00%	*0*	85,000	100.00%	85,000	100.00%
Add back Depreciation	-2,785,307	-2,920,157	-2,930,000	-2,911,966	18,034	0.62%	*-2,885,195*	26,771	0.92%	44,805	1.53%
Total Cash Items	-975,039	-1,663,961	-916,756	-740,311	176,445	19.25%	*-903,726*	-163,415	-22.07%	13,030	1.42%
Net Cash Basis Budget	1,457,894	21,098	-252,416	-184,384	68,032	26.95%	*365,405*	549,789	-298.18%	617,821	244.76%

ANTIOCH COLLEGE
2002-03 PROPOSED BUDGET

The 2002-03 operating budget for Antioch College was developed using a different process from the one used in recent years. In part, the change in procedure was made necessary by the administrative restructuring mandated by the Stabilization Committee, as well as my arrival after the budget process would normally have begun. As a result, the process of preparing the budget was accelerated and simplified, but despite the compressed schedule, all appropriate parties have been involved and the budget has been vetted by the campus budget committee and AdCil (The Administrative Council). I believe that the College will be well served by a two-year financial planning cycle in the future, and I expect to initiate the next budget development process this fall.

REVENUES

Gross Tuition and Fee income is projected to increase by $1,894,440, or 14.45%. This increase is due to the 3% increase in tuition and fees approved by the Board of Trustees in February, as well as income from additional students that we believe will enroll as a result of revisions to the tuition discount program. Tom Clough and Michael Murphy presented a proposal to revise our tuition discount program to the Board of Trustees at the February meeting and the plan was generally accepted, although the jury is still out about whether it can accomplish all the stated goals.

Briefly, the plan assumes that even students who could pay the full cost of tuition are declining to enroll at Antioch because they receive more attractive offers from other institutions. In addition, the proposal postulates that students with need are also failing to enroll in Antioch because other institutions provide more attractive financial aid packages. The loss of such students is preventing the College from maximizing its revenue potential since a considerably larger number of students could be taught at a relatively low marginal cost. That is, if additional students were spread throughout the curriculum, they would not have a major impact on class size, and the cost of teaching them would not increase significantly. If net tuition increases more than the additional education costs, the College experiences a net gain.

In accepting this proposal, and planning the 2002-03 budget, we assume a negative increase in total Tuition & Fees Income for the next several years even though enrollment levels will be increasing. The reason for the decline in Tuition & Fee Revenue is that although more students will be attending, the overall discount level will be greater. However, each of these students will be required to pay for room and board, and additional revenue will be generated in these areas. While the marginal cost is higher for room and board, net revenue is still anticipated.

Under the program, Tuition Discounts will change by -$1,835,621, or an increase of 52%.

Gifts income is expected to surpass last year's budget by only $50,311, despite, or perhaps because of, the Capital Campaign.

The amount shown on the Endowment Income line represents the unrestricted portion of the endowment payout. This amount has changed relatively little from last year even though the total size of the endowment has increased, as has the total payout. The increase in the endowment has been mainly on the restricted side and, as a consequence, the additional amount released under the rule of 5% of total principle shows up on the Released from Restrictions line. This line has increased by $1,659,811 as a result of the higher payout on the larger restricted endowment base, as well as significant increase in support for the capital campaign. All of the capital campaign expenses are being funded from temporarily restricted gifts.

Auxiliary Enterprises income has increased by nearly 28%, or $681,160 in order to meet higher costs associated with the allocation of depreciation, wage and benefit costs, and inflation. Room and Board rate increases were authorized at 3%, but a larger enrollment will result in more income to the College. Please note that while Auxiliary Enterprises income has increased by $681,160, Auxiliary Enterprises expenses have increased by only $201,264.

OPERATING EXPENSES

Despite the fact that a 2% across-the-board salary increase has been budgeted, Salaries and Wages have decreased by -$196,027, or –2.38%. This has been accomplished by holding some positions vacant and eliminating others as part of the Administrative Consolidation. The decrease in Salaries and Wages would be even more dramatic were it not for the addition of a senior administrator--a new Dean of Students--in 2002-03. Although Scott Warren will vacate this position in August, he will continue to receive his salary as he joins the faculty as a tenured member. A search for a new dean is currently under way, to be concluded shortly.

A second senior administrator for the College, whose title will be Executive Director of Development, will join the Development office, but his or her salary will be charged to the capital campaign in 2002-03. The College budget will pick up this salary in succeeding years. Another possible source of pressure anticipated for the 2003-04 Salaries and Wages budget will come from the results of eleven tenure-track faculty searches expected to take place in 2002-03. Most of these are already budgeted but are currently filled with visitors. Others were embargoed from 2000 or 2001. Helping to offset any new expense is expected savings from the tenure relinquishment program implemented this past winter. No searches will be authorized until Fall 2002 enrollment levels are determined

Fringe benefits have increased, primarily because of a 15% increase in health insurance premiums. Training & Development costs show a significant 53.56% increase ($277,659). This increase is largely due to higher than anticipated travel costs in the Capital Campaign Office as well as in the Admissions Office. In both cases, the College is investing in areas where there is an expectation of increasing both current and future revenues.

Utility expenses will exceed the prior year's budget due, in part, to the unrealistically low level contained in the Revised Budget for 2001-02. At the time the Revised Budget was assembled, it was assumed that utility costs would be lower than originally projected because of mild weather and a favorable contract for natural gas. The optimistic projection was supported by a comparison of actuals with budget, but the actuals were understated because of delayed billing resulting from the change in vendors. The new vendor fell behind in submitting bills just at the time that the revised budget was being developed and this contributed to a miscalculation of what the 2001-02 utility costs will actually be. For this reason, the actual utility costs for 2002-03 will likely be higher than those projected in the revised budget.

The original draft budget assumed a $1.0 million support level from the non-residential campuses. With this level of support, the College would be projecting an accrual budget that is very close to balancing. However, it was necessary to reduce the $1.0 million support level in order to lessen the burden on the non-residential campuses and this is the basis for the following unanimous recommendation from the ULC. The group will ask the Board to approve an accrual deficit for the college of about $600,000. The only alternative to such a deficit would be a further reduction in College programs, which would be exceedingly difficult following the belt-tightening of this past winter.

Overall, the budget situation at the College is significantly improved thanks to these earlier measures, and promises to improve further if our conservative enrollment expectations are met in the Fall.

Joan Straumanis
President

Antioch College

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues											
Tuition & Fees	11,266,083	11,971,121	13,109,448	13,333,447	223,999	1.71%	***15,003,888***	1,670,441	12.53%	1,894,440	14.45%
Less Tuition Discounts	-3,112,064	-2,901,056	-3,529,379	-3,895,068	-365,689	-10.36%	***-5,365,000***	-1,469,932	-37.74%	-1,835,621	-52.01%
Gifts	1,303,415	1,382,641	1,554,689	1,334,498	-220,191	-14.16%	***1,605,000***	270,502	20.27%	50,311	3.24%
Lead Gifts		639,612	645,033	500,000	-145,033	-22.48%	***0***	-500,000	-100.00%	-645,033	-100.00%
Grants	1,426,879	1,537,841	1,338,000	1,720,881	382,881	28.62%	***1,260,998***	-459,883	-26.72%	-77,002	-5.76%
Endowment Income	196,135	195,157	181,000	195,441	14,441	7.98%	***172,358***	-23,083	-11.81%	-8,642	-4.77%
Contracts	1,135	0	1,212	25,458	24,246	2000.50%	***3,000***	-22,458	-88.22%	1,788	147.52%
Other Income	163,391	222,250	133,139	145,877	12,738	9.57%	***90,700***	-55,177	-37.82%	-42,439	-31.88%
Total E&G Revenue	11,244,974	13,047,566	13,433,142	13,360,534	-72,608	-0.54%	***12,770,944***	-589,590	-4.41%	-662,198	-4.93%
Auxiliary Enterprises	2,480,522	2,542,508	2,455,635	2,754,698	299,063	12.18%	***3,136,795***	382,097	13.87%	681,160	27.74%
Released From Restrictions	2,526,005	1,271,696	713,298	1,350,084	636,786	89.27%	***2,373,109***	1,023,025	75.77%	1,659,811	232.70%
Total Revenues	16,251,501	16,861,770	16,602,075	17,465,316	863,241	5.20%	***18,280,848***	815,532	4.67%	1,678,773	10.11%
Operating Expenses											
Instruction	4,634,004	4,871,646	5,109,865	5,013,979	-95,886	-1.88%	***5,113,537***	99,558	1.99%	3,672	0.07%
Research	0	0	0		0		***0***	0		0	
Public Service	2,000	1,066	0		0		***0***	0		0	
Academic Support	1,059,894	1,122,587	1,065,587	1,122,692	57,105	5.36%	***1,081,705***	-40,987	-3.65%	16,118	1.51%
Student Services	2,313,755	2,453,336	2,454,072	2,474,652	20,580	0.84%	***2,817,653***	343,001	13.86%	363,581	14.82%
Institutional Support	2,394,088	2,868,269	2,746,309	3,105,653	359,344	13.08%	***2,598,050***	-507,603	-16.34%	-148,259	-5.40%
Plant Maintenance	1,562,869	1,785,445	3,029,627	3,071,585	41,958	1.38%	***3,065,296***	-6,289	-0.20%	35,669	1.18%
Scholarships	1,663,313	2,110,081	1,994,062	1,968,564	-25,498	-1.28%	***1,820,271***	-148,293	-7.53%	-173,791	-8.72%
Total E&G Expenses	13,629,923	15,212,430	16,399,522	16,757,125	357,603	2.18%	***16,496,512***	-260,613	-1.56%	96,990	0.59%
Auxiliary Enterprises	2,230,871	2,220,836	2,183,072	2,179,775	-3,297	-0.15%	***2,384,336***	204,561	9.38%	201,264	9.22%
Total Operating Expenses	15,860,794	17,433,266	18,582,594	18,936,899	354,305	1.91%	***18,880,848***	-56,051	-0.30%	298,254	1.61%
Excess Revenue over Expenses	390,707	-571,496	-1,980,519	-1,471,583	508,936	-25.70%	***-600,000***	871,583	59.23%	1,380,519	69.70%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	626,100	1,687,564	536,000	399,393	-136,607	-25.49%	***690,764***	291,371	72.95%	154,764	28.87%
Borrowing Proceeds	-154,045	-1,585,709	-396,000	-364,487	31,513	7.96%	***-211,000***	153,487	42.11%	185,000	46.72%
Principal Payments	465,494	529,206	575,071	582,091	7,020	1.22%	***341,375***	-240,716	-41.35%	-233,696	-40.64%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	-1,432,000	-1,436,535	-4,535	-0.32%	***-1,421,139***	15,396	1.07%	10,861	0.76%
Total Cash Items	937,549	631,061	-716,929	-819,538	-102,609	-14.31%	***-600,000***	219,538	26.79%	116,929	16.31%
Net Cash Basis Budget	-546,842	-1,202,557	-1,263,590	-652,045	611,545	48.40%	***0***	652,045	100.00%	1,263,590	100.00%

Antioch College

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues	16,251,501	16,861,770	16,602,075	17,465,316	863,241	5.20%	***18,280,848***	815,532	4.67%	1,678,773	10.11%
Operating Expenses											
Salaries & Wages	8,057,006	8,290,415	8,235,437	8,908,261	672,824	8.17%	***8,039,410***	-868,851	-9.75%	-196,027	-2.38%
Benefits	2,528,251	2,758,312	2,773,232	2,830,237	57,005	2.06%	***2,968,582***	138,345	4.89%	195,350	7.04%
Training & Development	485,399	483,763	518,430	453,523	-64,907	-12.52%	***796,089***	342,566	75.53%	277,659	53.56%
Student Aid Services	1,047,877	1,455,944	1,389,317	1,350,289	-39,028	-2.81%	***1,330,149***	-20,140	-1.49%	-59,168	-4.26%
Special Events	111,335	102,638	137,585	116,772	-20,813	-15.13%	***187,637***	70,865	60.69%	50,052	36.38%
Supplies	724,557	659,850	709,652	659,356	-50,296	-7.09%	***747,027***	87,671	13.30%	37,375	5.27%
Business Operations	1,639,321	1,955,318	2,158,088	1,914,089	-243,999	-11.31%	***2,111,270***	197,181	10.30%	-46,818	-2.17%
Plant Maintenance	1,091,322	1,352,022	1,128,432	1,195,652	67,220	5.96%	***1,395,587***	199,935	16.72%	267,155	23.67%
Interest Expense	164,853	264,909	208,408	179,126	-29,282	-14.05%	***153,571***	-25,555	-14.27%	-54,837	-26.31%
Resale Costs	322,811	303,167	256,352	235,039	-21,313	-8.31%	***260,000***	24,961	10.62%	3,648	1.42%
Miscellaneous	251,786	251,563	235,661	255,189	19,528	8.29%	***238,718***	-16,471	-6.45%	3,057	1.30%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0		0		***25,104***	25,104		25,104	
Campus Contingency, Discretionary	5,400	0	0		0		***0***	0		0	
Liquidity Reserve	90,545	90,316	0		0		***0***	0		0	
Overhead											
To the University	996,000	993,471	0		0		***0***	0		0	
Rebates from the University	-550,000	-550,000	0		0		***0***	0		0	
Subsidy from Adult Campuses	-200,000	-200,000	0		0		***0***	0		0	
Subsidy from Overhead	-400,000	-400,000	-600,000	-600,000	0	0.00%	***-600,000***	0	0.00%	0	0.00%
Other (Intercampus Agree & Univ Conf)	-505,669	-378,422	0	2,831	2,831		***-193,435***	-196,266		-193,435	
Depreciation	0	0	1,432,000	1,436,535	4,535	0.32%	***1,421,139***	-15,396	-1.07%	-10,861	-0.76%
Total Operating Expenses	15,860,794	17,433,266	18,582,594	18,936,899	354,305	1.91%	***18,880,848***	-56,051	-0.30%	298,254	1.61%
Excess Revenue over Expenses	390,707	-571,496	-1,980,519	-1,471,583	508,936	25.70%	***-600,000***	871,583	59.23%	1,380,519	69.70%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	626,100	1,687,564	536,000	399,393	-136,607	-25.49%	***690,764***	291,371	72.95%	154,764	28.87%
Borrowing Proceeds	-154,045	-1,585,709	-396,000	-364,487	31,513	7.96%	***-211,000***	153,487	42.11%	185,000	46.72%
Principal Payments	465,494	529,206	575,071	582,091	7,020	1.22%	***341,375***	-240,716	-41.35%	-233,696	-40.64%
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	-1,432,000	-1,436,535	-4,535	-0.32%	***-1,421,139***	15,396	1.07%	10,861	0.76%
Total Cash Items	937,549	631,061	-716,929	-819,538	-102,609	-14.31%	***-600,000***	219,538	26.79%	116,929	16.31%
Net Cash Basis Budget	-546,842	-1,202,557	-1,263,590	-652,045	611,545	48.40%	***0***	652,045	100.00%	1,263,590	100.00%

ANTIOCH COLLEGE
2002-03 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
	Roof Repairs	215,000
	HVAC Replacements	85,000
	Art Building Wiring	65,000
	Mold Remediation	81,000
	Total Building Improvements	446,000
Campus	**Equipment**	**Amount**
	Computer Workstations	20,000
	Voice Mail System	30,000
	Total Equipment	50,000
Campus	**Furniture & Fixtures**	**Amount**
	Cafeteria Fixtures	49,764
	Dorm Furniture - Mold Remdtn	65,000
	Total Furniture & Fixtures	114,764
Campus	**Vehicles**	**Amount**
	Total Vehicles	0
Campus	**Library Books**	**Amount**
College	Library Books	80,000
	Total Library Books	80,000
	Grand Total Capital Budget	**690,764**
		========

Antioch College
Tuition Rate Changes 2002-03

Program	2001-02 Rates	2002-03 Rates	% Change
Tuition	20,574	21,190	2.99%
Room and Board	5,440	5,602	2.98%
Fees	908	923	1.65%
Total per Year	26,922	27,715	2.95%

GLEN HELEN ECOLOGY INSTITUTE
2002-03 PROPOSED BUDGET

Revenues:
- Projected revenue decrease of –12.83% (-$95,596) to $649,418
- Revenue decrease is expected from tuition/fees, auxiliary enterprises, gifts, and released from restrictions.

Expenses:
- Projected expenses will increase by 9.85% ($58,233) to $649,418.
- Principal expense increase includes Salaries/Wages (14.90%), Benefits (12.11%), and Business operations (printing) – 2.63%. Increase in salaries includes 2% pay increase for regular staff and the filling of the vacant Outdoor Education Center Director position.
- Expense decrease will come from Special Events. Restricted funds will cover additional plant maintenance expenses.

Capital Expense:
- Budgeted at $5,000 with no major capital expenses anticipated. Current building projects have been completed. Capital items in this fiscal year will include scientific research equipment (dissecting microscope and global positioning equipment).

Restricted Funds:
- Revenue: $111,893 will be released from several restricted cost centers including $51,709 for operating expense; overall this represents a decrease of 44% from last fiscal year (due to completion of Cedar Center building renovation – Headley Cost Center).
- Expenses:
  - Salaries/Wages, to include Volunteer Coordinator position, graduate intern and Trailside Manager.
  - Plant Maintenance includes $18,500 representing an increase of 21% from fiscal year 2002-03. This represents utilization of restricted building funds instead of from operations.

Current Restricted Cost Centers:

- Operations Cost Center is expected to decline by approximately $20,000 by the end of 2001-02. The remaining funds in this cost center will supplement the GHEI operations in 2002-03.
- The Clauser Operating Fund will provide revenue for capital items in 2002-03 with the balance to provide supplemental operating funds in 2003-04.
- The Headley Renovation fund will be close to depletion by the end of 2001-02 and remaining funds will be used for emergency maintenance expenses at the Outdoor Education Center.

Robert S. Whyte
Director

Glen Helen

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues											
Tuition & Fees	115,282	126,045	115,750	116,818	1,068	0.92%	***114,142***	-2,676	-2.29%	-1,608	-1.39%
Less Tuition Discounts	0	0	0	0	0		***0***	0		0	
Gifts	82,640	128,612	98,500	101,158	2,658	2.70%	***99,500***	-1,658	-1.64%	1,000	1.02%
Lead Gifts		0	0	0	0		***0***	0		0	
Grants	9,869	12,754	1,433	0	-1,433	-100.00%	***0***	0		-1,433	-100.00%
Endowment Income	42,000	42,000	42,000	42,000	0	0.00%	***42,000***	0	0.00%	0	0.00%
Contracts	9,100	10,500	11,000	7,914	-3,086	-28.05%	***10,575***	2,661	33.62%	-425	-3.86%
Other Income	361	0	0	0	0		***0***	0		0	
Total E&G Revenue	259,252	319,911	268,683	267,890	-793	-0.30%	***266,217***	-1,673	-0.62%	-2,466	-0.92%
Auxiliary Enterprises	247,846	265,605	259,143	278,169	19,026	7.34%	***271,308***	-6,861	-2.47%	12,165	4.69%
Released From Restrictions	19,407	11,376	279,005	198,955	-80,050	-28.69%	***111,893***	-87,062	-43.76%	-167,112	-59.90%
Total Revenues	526,505	596,892	806,831	745,014	-61,817	-7.66%	***649,418***	-95,596	-12.83%	-157,413	-19.51%
Operating Expenses											
Instruction	0	0	0	0	0		***0***	0		0	
Research	0	0	0	0	0		***0***	0		0	
Public Service	519,944	596,892	629,195	591,185	-38,010	-6.04%	***649,418***	58,233	9.85%	20,223	3.21%
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	519,944	596,892	629,195	591,185	-38,010	-6.04%	***649,418***	58,233	9.85%	20,223	3.21%
Auxiliary Enterprises	0	0	0	0	0		***0***	0		0	
Total Operating Expenses	519,944	596,892	629,195	591,185	-38,010	-6.04%	***649,418***	58,233	9.85%	20,223	3.21%
Excess Revenue over Expenses	6,561	0	177,636	153,829	-23,807	-13.40%	***0***	-153,829	-100.00%	-177,636	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	0	0	150,000	154,654	4,654	3.10%	***5,000***	-149,654	-96.77%	-145,000	-96.67%
Borrowing Proceeds	0	0	0	0	0		***0***	0		0	
Principal Payments	1,855	0	0	0	0		***0***	0		0	
Prior Year Reserves	0	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	-18,000	-18,000	0	0.00%	***-17,002***	998	5.54%	998	5.54%
Total Cash Items	1,855	0	132,000	136,654	4,654	3.53%	***-12,002***	-148,656	-108.78%	-144,002	-109.09%
Net Cash Basis Budget	4,706	0	45,636	17,175	-28,461	-62.37%	***12,002***	-5,173	-30.12%	-33,634	-73.70%

Glen Helen

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues	526,505	596,892	806,831	745,014	-61,817	-7.66%	*649,418*	-95,596	-12.83%	-157,413	-19.51%
Operating Expenses											
Salaries & Wages	265,955	302,859	280,045	269,882	-10,163	-3.63%	*310,098*	40,216	14.90%	30,053	10.73%
Benefits	70,149	90,741	84,283	83,404	-879	-1.04%	*93,506*	10,102	12.11%	9,223	10.94%
Training & Development	8,180	4,550	6,920	7,752	832	12.02%	*4,004*	-3,748	-48.35%	-2,916	-42.14%
Student Aid Services	0	0	0	0	0		*0*	0		0	
Special Events	0	0	600	516	-84	-14.00%	*0*	-516	-100.00%	-600	-100.00%
Supplies	51,037	56,700	58,520	48,074	-10,446	-17.85%	*51,600*	3,526	7.33%	-6,920	-11.83%
Business Operations	50,307	41,300	47,691	55,769	8,078	16.94%	*57,233*	1,464	2.63%	9,542	20.01%
Plant Maintenance	64,675	76,072	108,839	95,451	-13,388	-12.30%	*102,555*	7,104	7.44%	-6,284	-5.77%
Interest Expense	120	70	70	27	-43	-61.43%	*70*	43	159.26%	0	0.00%
Resale Costs	7,382	7,000	7,000	9,685	2,685	38.36%	*8,000*	-1,685	-17.40%	1,000	14.29%
Miscellaneous	2,139	1,600	1,887	2,625	738	39.11%	*2,010*	-615	-23.43%	123	6.52%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0			0		0	
Campus Contingency, Discretionary	0	16,000	15,340	0	-15,340	-100.00%	*3,340*	3,340		-12,000	-78.23%
Liquidity Reserve	0	0	0	0	0			0		0	
Overhead								0			
To the University	0	0	0	0	0			0		0	
Rebates from the University	0	0	0	0	0			0		0	
Subsidy from Adult Campuses	0	0	0	0	0			0		0	
Subsidy from Overhead	0	0	0	0	0			0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0			0		0	
Depreciation	0	0	18,000	18,000	0	0.00%	*17,002*	-998	-5.54%	-998	-5.54%
Total Operating Expenses	519,944	596,892	629,195	591,185	-38,010	-6.04%	*649,418*	58,233	9.85%	20,223	3.21%
Excess Revenue over Expenses	6,561	0	177,636	153,829	-23,807	-13.40%	*0*	-153,829	-100.00%	-177,636	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	0	0	150,000	154,654	4,654	3.10%	*5,000*	-149,654	-96.77%	-145,000	-96.67%
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	1,855	0	0	0	0		*0*	0		0	
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	0	0	-18,000	-18,000	0	0.00%	*-17,002*	998	5.54%	998	5.54%
Total Cash Items	1,855	0	132,000	136,654	4,654	3.53%	*-12,002*	-148,656	-108.78%	-144,002	-109.09%
Net Cash Basis Budget	4,706	0	45,636	17,175	-28,461	-62.37%	*12,002*	-5,173	-30.12%	-33,634	-73.70%

GLEN HELEN
2002-03 Capital Budget

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

ANTIOCH NEW ENGLAND GRADUATE SCHOOL
2002-03 PROPOSED BUDGET

I. 2001-02 ACCOMPLISHMENTS AND CHALLENGES

Antioch New England played to mixed reviews in 2001-02. While we are projecting an accrual surplus and a very positive "Net Cash Basis Budget" for 2001-02, those numbers were achieved by paying a hefty price in terms of low morale, some rather significant cuts in operational budgets and in the elimination of personnel. Some of the fiscal realities were related to the fact that we did not quite hit new student enrollment targets for the full year, although a highly successful fall entry helped us to come close to reaching target numbers. The bottom line requirements of the Fiscal Stabilization Plan to achieve goals based on a "tax" on total gross revenues hurt ANE terribly because our grants and contracts could not absorb that kind of 8% hit, given the fact that most grants and contracts had already been negotiated and others had no overhead attached to them at all. We were forced to cut heavily from operations; as a result, faculty and staff received no raises, contracted professional development was frozen, and two positions were terminated.

But a look back at 2001-02 goes beyond the fiscal pressures faced by the campus. On the positive side, the following deserve special mention:

- New Program Development – a track in Environmental Organizing and Advocacy in the Department of Environmental Studies, with the first cohort entering in the fall 2002; and a Certificate Program in Community Health Care Management, offered through the Department of Organization and Management, with the first group beginning in the fall 2002.

- Area Recognition – ANE gained significantly elevated visibility in the Monadnock Region and in New England as evidenced by a sample of the press releases, which have been sent to members of the Board of Trustees throughout the course of the academic year. [Rachel Marshall Outdoor Learning Laboratory, a Selectpersons Institute expansion into the Concord and Portsmouth areas, CO-SEED Projects in Malden (MA) and Littleton and Groveton (NH), the "Wild Treasures" project, Earth Day celebration, Study of Violence Research Project conducted in Keene, ANE Speakers Series, etc.]

- More Space - Construction build out of an 1800+ square foot complex of offices, conference rooms, etc. to house the project managers, directors and interns working on our grant and contract projects and activities.

- Scholarship - Numerous faculty publications, including many books, reflecting enhanced emphasis on scholarship and research.

- Community Partnering – We formally established a Coalition of Essential Schools partnership with Keene State College to provide training, etc. to school systems and teacher in ways to incorporate basic CES principles into their curriculum and overall philosophy of the school.

- Steps Forward – ANE launched what we expect will be a successful search for a new President and have put the pieces into place for the launch of a modest capital campaign effort, which will focus primarily on developing an endowment for scholarship and fellowship support.

In sum, there was much to celebrate in 2001-02 at Antioch New England Graduate School, and we believe that Horace Mann's legacy and charge are being carried forward in substantive and creative ways.

II. 2002-03 BUDGET PROPOSAL HIGHLIGHTS

On the **revenue** side, projections include carry-forward dollars and new student enrollment projections of 333 (66 summer, 225 fall, and 42 spring). This is a more conservative new student enrollment projection than was budgeted last year, but we believe it to be more prudent and in line with our 2001-02 actual performance.

Tuition increases are factored in and vary by program. In general, tuition increases are in the 4.5% - 5.5% range. In addition, internship and dissertation fees for doctoral students have been increased and the Comprehensive Fee has been increased to cover technology costs and career counseling services.

Gift and Grant revenues reflect our best estimate at this time.

On the **expense** side, there is a 1.0% contingency reserve, $468,000 for depreciation, a 15% increase in medical expense, overhead of $743,325, professional development was reinstated, and a salary/benefits (excluding medical) increase of 3.5% across-the-board for faculty and staff. [In order to achieve this Budget, cuts were made in certain unit budgets, two staff positions were eliminated (see above 2001-02 summary), one Core Faculty position was eliminated and the percentage time of one Core Faculty position was reduced to 75%. Nearly half (49%) of the budget is directed to instruction and academic support.

The detail of the **capital expense** budget is presented in a separate document.

Jim Craiglow
President

Antioch New England Graduate School

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues											
Tuition & Fees	8,077,458	8,818,635	9,166,305	8,951,385	-214,920	-2.34%	9,352,060	400,675	4.48%	185,755	2.03%
Less Tuition Discounts	-73,751	-11,920	0	0	0		0	0		0	
Gifts	120,188	78,803	169,218	8,000	-161,218	-95.27%	57,129	49,129	614.11%	-112,089	-66.24%
Lead Gifts		0	0	0	0		0	0		0	
Grants	727,461	530,071	1,374,255	1,175,000	-199,255	-14.50%	1,132,188	-42,812	-3.64%	-242,067	-17.61%
Endowment Income	0	0	0	0	0		0	0		0	
Contracts	566,022	579,598	191,027	310,000	118,973	62.28%	202,494	-107,506	-34.68%	11,467	6.00%
Other Income	388,361	330,274	331,200	106,000	-225,200	-68.00%	191,030	85,030	80.22%	-140,170	-42.32%
Total E&G Revenue	9,805,739	10,325,461	11,232,005	10,550,385	-681,620	-6.07%	10,934,901	384,516	3.64%	-297,104	-2.65%
Auxiliary Enterprises	0	0	0	0	0		0	0		0	
Released From Restrictions	285,994	585,861	337,964	371,250	33,286	9.85%	197,343	-173,907	-46.84%	-140,621	-41.61%
Total Revenues	10,091,733	10,911,322	11,569,969	10,921,635	-648,334	-5.60%	11,132,244	210,609	1.93%	-437,725	-3.78%
Operating Expenses											
Instruction	4,147,232	4,559,093	4,583,037	4,324,460	-258,577	-5.64%	4,953,767	629,307	14.55%	370,730	8.09%
Research	0	0	0	0	0		0	0		0	
Public Service	1,051,869	1,138,587	1,376,147	1,122,067	-254,080	-18.46%	713,878	-408,189	-36.38%	-662,269	-48.12%
Academic Support	507,821	555,088	512,527	484,720	-27,807	-5.43%	520,147	35,427	7.31%	7,620	1.49%
Student Services	584,762	621,173	611,630	625,380	13,750	2.25%	686,438	61,058	9.76%	74,808	12.23%
Institutional Support	2,424,488	2,686,708	2,833,645	2,696,900	-136,745	-4.83%	2,728,575	31,675	1.17%	-105,070	-3.71%
Plant Maintenance	706,247	713,918	1,126,433	1,144,720	18,287	1.62%	1,169,439	24,719	2.16%	43,006	3.82%
Scholarships	463,605	382,292	413,200	437,230	24,030	5.82%	360,000	-77,230	-17.66%	-53,200	-12.88%
Total E&G Expenses	9,886,024	10,656,859	11,456,619	10,835,477	-621,142	-5.42%	11,132,244	296,767	2.74%	-324,375	-2.83%
Auxiliary Enterprises	0	0	0	0	0		0	0		0	
Total Operating Expenses	9,886,024	10,656,859	11,456,619	10,835,477	-621,142	-5.42%	11,132,244	296,767	2.74%	-324,375	-2.83%
Excess Revenue over Expenses	205,709	254,463	113,350	86,158	-27,192	-23.99%	0	-86,158	-100.00%	-113,350	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	143,217	205,577	226,000	242,210	16,210	7.17%	201,500	-40,710	-16.81%	-24,500	-10.84%
Borrowing Proceeds	0	-103,789	0	0	0			0		0	
Principal Payments	80,000	104,775	95,000	112,000	17,000	17.89%	100,000	-12,000	-10.71%	5,000	5.26%
Prior Year Reserves	-57,508	0	0	0	0			0		0	
Add back Depreciation	0	0	-430,000	-430,000	0	0.00%	-468,000	-38,000	8.84%	-38,000	8.84%
Total Cash Items	165,709	206,563	-109,000	-75,790	33,210	-30.47%	-166,500	-90,710	119.69%	-57,500	52.75%
Net Cash Basis Budget	40,000	47,900	222,350	161,948	-60,402	-27.17%	166,500	4,552	2.81%	-55,850	-25.12%

Antioch New England Graduate School

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues	10,091,733	10,911,322	11,569,969	10,921,635	-648,334	-5.60%	**11,132,244**	210,609	1.93%	-437,725	-3.78%
Operating Expenses											
Salaries & Wages	5,216,276	5,687,265	5,409,500	5,361,000	-48,500	-0.90%	***5,641,859***	280,859	5.24%	232,359	4.30%
Benefits	1,417,193	1,586,266	1,879,948	1,591,000	-288,948	-15.37%	***1,823,667***	232,667	14.62%	-56,281	-2.99%
Training & Development	340,156	346,280	403,545	430,850	27,305	6.77%	***405,466***	-25,384	-5.89%	1,921	0.48%
Student Aid Services	53,665	35,995	53,200	68,600	15,400	28.95%	***0***	-68,600	-100.00%	-53,200	-100.00%
Special Events	14,479	17,053	23,600	26,694	3,094	13.11%	***28,367***	1,673	6.27%	4,767	20.20%
Supplies	165,044	164,729	226,900	146,652	-80,248	-35.37%	***172,044***	25,392	17.31%	-54,856	-24.18%
Business Operations	972,024	1,103,715	1,136,339	1,003,766	-132,573	-11.67%	***889,624***	-114,142	-11.37%	-246,715	-21.71%
Plant Maintenance	335,399	331,793	342,058	306,749	-35,309	-10.32%	***342,251***	35,502	11.57%	193	0.06%
Interest Expense	431,306	439,155	423,791	435,819	12,028	2.84%	***420,944***	-14,875	-3.41%	-2,847	-0.67%
Resale Costs	0	0	0	0	0			0		0	
Miscellaneous	31,534	93,547	129,947	72,513	-57,434	-44.20%	***23,057***	-49,456	-68.20%	-106,890	-82.26%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		***95,156***	95,156		95,156	
Campus Contingency, Discretionary	0	0	0	0	0		***0***	0		0	
Liquidity Reserve	102,739	112,206	0	0	0		***0***	0		0	
Overhead											
To the University	1,014,645	1,049,392	900,834	900,834	0	0.00%	***743,325***	-157,509	-17.48%	-157,509	-17.48%
Rebates from the University	-364,332	-417,279	0	0	0		***0***	0		0	
Subsidy from Adult Campuses	60,200	59,800	0	0	0		***0***	0		0	
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	95,696	46,942	96,957	61,000	-35,957	-37.09%	***78,484***	17,484	28.66%	-18,473	-19.05%
Depreciation	0	0	430,000	430,000	0	0.00%	***468,000***	38,000	8.84%	38,000	8.84%
Total Operating Expenses	9,886,024	10,656,859	11,456,619	10,835,477	-621,142	-5.42%	***11,132,244***	296,767	2.74%	-324,375	-2.83%
Excess Revenue over Expenses	205,709	254,463	113,350	86,158	-27,192	-23.99%	***0***	-86,158	100.00%	-113,350	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	143,217	205,577	226,000	242,210	16,210	7.17%	***201,500***	-40,710	-16.81%	-24,500	-10.84%
Borrowing Proceeds	0	-103,789	0	0	0		***0***	0		0	
Principal Payments	80,000	104,775	95,000	112,000	17,000	17.89%	***100,000***	-12,000	-10.71%	5,000	5.26%
Prior Year Reserves	-57,508	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	-430,000	-430,000	0	0.00%	***-468,000***	-38,000	8.84%	-38,000	8.84%
Total Cash Items	165,709	206,563	-109,000	-75,790	33,210	-30.47%	***-166,500***	-90,710	119.69%	-57,500	52.75%
Net Cash Basis Budget	40,000	47,900	222,350	161,948	-60,402	-27.17%	***166,500***	4,552	-2.81%	-55,850	-25.12%

ANTIOCH NEW ENGLAND GRADUATE SCHOOL
2002-03 Capital Budget

Campus	**Buildings**	**Amount**
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
New England	New Roof	50,000
	Parking Lot, Misc	10,000
	Total Building Improvements	60,000
Campus	**Equipment**	**Amount**
New England	Computer Equipment	46,000
	VCR & Monitor	2,500
	Total Equipment	48,500
Campus	**Furniture & Fixtures**	**Amount**
	Total Furniture & Fixtures	0
Campus	**Library Books**	
New England	Library Books	93,000
	Total Library Books	93,000
	Grand Total Capital Budget	**201,500**
		========

ANTIOCH NEW ENGLAND
Tuition Rate Changes 2002-03

Program	Start Term	Term	2001-02 Rate	2002-03 Rate	% Change
Applied Psychology Department					
Dance & Movement Therapy Certificate	Fall	All	$4,400	$4,650	5.68%
Dance & Movement Therapy MA	Fall	All	$5,900	$6,350	7.63%
Counseling Psychology MA	Fall	Fall, Spring	$5,500	$5,750	4.55%
	Spring	Spring	$3,600	$3,850	6.94%
	Summer	Summer	$2,600	$2,750	5.77%
Marriage & Family Therapy MA	Summer	Fall, Spring	$5,500	$5,750	4.55%
		Summer	$2,600	$2,750	5.77%
Clinical Psychology Psy.D.		Fall, Spring	$9,200	$9,500	3.26%
		Summer	$3,900	$4,100	5.13%
		Fall, Spring	$7,400	$7,600	2.70%
Environmental Studies Department					
Environmental Studies MS		Fall, Spring	$5,100	$5,050	-0.98%
		Summer	$3,400	$5,050	48.53%
Resource Management & Administration MS		Fall, Spring	$5,100	$5,050	-0.98%
		Summer	$3,400	$5,050	48.53%
Environmental Studies MS w Certification		Fall, Spring	$5,100	$5,050	-0.98%
		Summer	$3,400	$5,050	48.53%
Environmental Studies Ph.D.		Summer	$3,300	$3,500	6.06%
		Fall, Spring	$6,600	$6,800	3.03%
		Summer	$2,400	$2,600	8.33%
		Fall, Spring	$4,450	$4,650	4.49%

Program	Start Term	Term	2001-02 Rate	2002-03 Rate	% Change
Education Department - Waldorf Programs					
Waldorf Certificate		All	$3,550	$3,700	4.23%
Waldorf 3+2 Certificate		Spring	$2,800	$3,100	10.71%
		Summer	$3,000	$3,100	3.33%
Waldorf MEd year round		Fall, Spring	$5,100	$4,550	-10.78%
		Summer	$3,000	$4,150	38.33%
Waldorf MEd Summer Sequence		Fall, Spring	$2,800	$3,050	8.93%
		Summer	$3,100	$3,050	-1.61%
Education Department - Integrated Learning					
Intergrated Learning MEd		Fall, Spring	$5,100	$4,950	-2.94%
		Summer	$3,400	$4,950	45.59%
Education Department - Experienced Educator					
Experienced Educators MEd (5 semester)		All	$2,900	$3,000	3.45%
Organization & Management					
OM Weekend MEd/MHSA	Spring	Fall, Spring	$5,100	$5,050	-0.98%
		Summer	$3,400	$5,050	48.53%
OM Weekend MEd/MHSA -	Fall	Fall, Spring	$4,000	$4,250	6.25%
		Summer	$3,400	$4,250	25.00%
OM Weekend MS	Fall, Spring	Fall, Spring	$4,800	$5,050	5.21%
		Summer	$4,800	$5,050	5.21%

ANTIOCH SEATTLE
2002-03 PROPOSED BUDGET

Accomplishments and Setbacks Encountered in 2001-02

Antioch Seattle achieved four major accomplishments this year that will positively strengthen the campus and its finances: (1) the passage of Washington State Senate Bill 5166, (2) the teacher certification program passing state accreditation, (3) receiving the Gates Foundation grant for the "early college" program, and (4) completion of the 4200 square foot expansion and renovation project. The passage of SB 5166 provides the Washington Higher Education Board with authority to review Antioch's application for our students to be eligible for state financial aid grants of $3,200 and work study funding. Achieving this goal has been three years in the making and required a large investment of time and money to lobby for our cause. In November the teacher certification program underwent accreditation from the State Board of Education and the Office of the Superintendent of Public Instruction. Teacher certification received positive feedback on its program and was granted a five-year reaccredidation, the longest period of accreditation awarded.

Antioch Seattle also received a $3 million grant from the Gates Foundation to be part of a major thrust to establish 70 "early college models" around the nation. Two million dollars of this money will be re-awarded to Washington State high schools that serve Native American students and that wish to establish "early colleges." The remainder of the money will be used to fulfill our obligations to the Foundation in serving as consultants and evaluators to the high schools. We recently received notice that the Kellogg Foundation will be awarding us approximately $300,000 to evaluate and conduct research oriented toward the foundation's focus on community engagement and interaction.

Completing the renovation and expansion into the 4200 square feet of old tenant space has assisted greatly in decreasing the space problems in classrooms and faculty offices. It has also allowed the personnel in the admissions offices, development unit, and technology to co-locate. In addition, the Center for Creative Change space was redesigned to allow the four programs that compose that center to co-locate. The library was expanded and the new bookcases and circulation desk provide an aesthetically pleasing space for students and faculty to study and perform research. The computer classroom, with its new furniture and space, allows more students to be taught at one time in a space more conducive to learning. Although the expansion enabled greater efficiency of our office and service space, we still have a problem with classroom space. As class size increases for certain programs, we are finding that we have too many seminar rooms and not enough rooms that can handle 15 students or more. Consequently, at some point additional renovations may need to occur to reconfigure adjoining seminar rooms into larger classrooms.

In the technology area, progress was made on moving our assessments on line and beginning on-line (via email) registration for some programs. Using a technique pioneered at New England, we have also linked some Datatel information to a more user-friendly database so the faculty and staff can access course and advisor lists directly. In addition, our computing staff have used a similar methodology to develop a budget tracking system that gives managers "real -time" access to their budget status.

The certificate in foster care/adoption, in collaboration with a local adoption agency, is successfully completing its first year having met its enrollment projections. Prospects for next year's class look good as well. We completed the self-study report with a fair amount of involvement of the campus in its writing and editing. The Board of Visitors (BOV) has increased to nine members with one new member indicating an interest in serving on the Board of Trustees. BOV members have been active in fund raising activities for the scholarship endowment. We have also hosted more alumni events with some success in attracting participation.

The two greatest setbacks this year were lower than projected enrollment numbers and the negative impact of the Financial Stabilization Plan. AUS witnessed a shortfall in its fall and winter enrollments resulting in a decrease of 29 annualized FPE, or 3.2%. Total projected FPE fell from 909 to 880 and this was reflected in the mid-year adjusted budget. The biggest contributor to this shortfall was the inability of the Education Center to launch its Principal Certification program, amounting to a drop of 40 annualized FPE, and to fill some of its projected site cohorts for MA in Education. In addition, the Center for Creative Change and the BA program did not meet their enrollments. We speculate that a majority of the decreases are probably attributable to a combination of the effects of the recession, which has been particularly severe in the Pacific Northwest, competition from lower cost institutions, and the uncertainty experienced by Americans after the September 11 tragedy. These drops were mitigated somewhat by the 31 FPE increase in the Psychology Center's enrollments.

The Financial Stabilization Plan further compounded our financial problems by imposing larger revenue and lower expenditure expectations to cover the increased subsidy to the College and depreciation. Budget freezes restricted any kind of program development activity or increased marketing and advertising activities. Not investing in these areas only perpetuates a continued enrollment concern in certain programs. Fortunately, the ULC budget proposal freed up some funds for this important activity.

Development of the 2002-03 Budget

Priorities and goals of the annual budget are set by the campus Planning and Budget Council (P&B). It was challenging for the Council to develop a budget that incorporated the overhead and depreciation with a flat revenue projection. P&B deliberated on key aspects of planning and priorities, gaining consensus on the following priorities or objectives: compensation; establishing future financial stability/sustainability; establishing/designing structures to operate effectively/efficiently; a student service position in the Academic Dean's office; enhancing academic program quality; improving student access; new program development; and, increased fund raising, development, marketing, and advertising. At the same time the Council worked within the framework requested by the Board Finance Committee: one percent contingency; realistic enrollment numbers; increase compensation; moderate increase in tuition; limited expenditures increase; and full funding of our depreciation.

Enrollment and Revenue Assumptions

Our tuition and fee revenue shows an increase from the projection for this fiscal year as well as an increase over last year's budgeted amount. The main sources of the increase are $381,000 from the increase in tuition, $230,000 from increase in enrollments, and $140,000 from increases in non-matriculated tuition. The non-matriculated increase comes from the conversion of a pre-enrollment program in Psychology, previously billed as continuing education, to regular full tuition paying academic enrollment. Total revenue also increases as a result of incorporating $323,000 from the Gates Grant.

Enrollment revenues are derived from an assessment by the Academic Dean and Center Directors of a number of variables including forthcoming graduates, departures, leaves of absence, continuing students, new enrollments, and enrollment trends. Some of these variables are more readily determined than others, but all enrollment and revenue projections for the 2002-03 budget are conservative. The conservative nature is prompted by the uncertain economic picture, small budgets for advertising, and the lack of finances to invest in the academic program development at this campus during the last two years. We have increased the funding in these areas for the 2002-03 budget, but they are far below the amounts needed to ensure future sustainability. Currently, Psychology is the only program that is showing promising growth; and yet, it has a ways to go before reaching its old enrollment figures of the mid-90s.

For the forthcoming fiscal year, our FPE forecast is slightly higher than the forecast used for the 2001-02 Adjusted Budget (880 to 898 annualized FPE), but still significantly lower than the originally approved budget for 2001-02.

In spite of the enrollment picture, we are proposing a tuition increase of 4.2% for the forthcoming fiscal year. This is projected to generate $381,000 in additional revenues. Nearly all major institutions in our area will be seeking tuition increases this year, including the University of Washington, where tuition increases of 16% have been widely publicized in the region. Private institutions in Washington are announcing increases in tuition for next year in a range from 5.5% to 7.7%. From our meetings in the AUS community, we have found acceptance of the notion that tuition increases are a necessity to cover the additional costs facing AUS and also to generate reserves for facilities and equipment investments. Reflective of the quality of the Antioch educational experience, it is not our policy to strive for the lowest tuition in town, but to remain competitive with other comparable private institutions.

There are two additional features of the AUS tuition plan that will be noticeable this year. We are continuing efforts to simplify the tuition schedule with the ultimate goal to have one tuition rate for undergraduate programs and one tuition rate for graduate programs. This year, we have equalized most of the Psychology Center and Center for Creative Change programs under a common tuition rate of $395/credit hour. This was accomplished by taking the weighted average of FPE enrollments and tuition throughout the affected programs. Additionally, we have removed the tuition rate differential in the BA program and on-site MA Education programs that was confusing to some of our students. The overall effect of these consolidation efforts is revenue neutral, with some programs or students experiencing increases or decreases in their overall tuition payments depending on circumstances. We still have issues to address in the future regarding the tuition rates, as there is a measurable difference in the BA program tuition and the BATC, both undergraduate programs. There is a difference in the MA Education site-based program and campus-based program. Most problematic is that all of the Education graduate programs show a much lower tuition rate than the BA undergraduate program. These differences are the artifacts of programs setting their own tuition for years with little attention paid to an overall campus structure.

Significant Expenses

Total expenses in the 2002-03 AUS budget are projected to increase by $1,117,867 over the previous budget. The biggest element of this increase results from the newly implemented depreciation policy amounting to $466,103. In terms of faculty, decreases in FTE in some areas and increases in other areas provide for a net faculty increase of 2.25 FTE. In the exercise to present a balanced budget, 2.89 staff positions were cut.

For the forthcoming fiscal year, the overall revenue/expense ratio in the academic centers is 2.22, which is an improvement over the current year's r/e of 2.13, but short of our goal of 2.5. Although the recent decline in enrollments has hampered achievement of the 2.5 goal, we believe there is room for improvement in faculty utilization and diminished reliance on adjunct faculty that will contribute to achievement. We will continue to work closely with the academic centers to focus on these issues.

Two additional significant expenses show in our cost projections, but offsetting revenues mitigate each. The first of these is $50,000 that has been budgeted for five new graduate assistant positions that we plan to open in fall 2002. Essentially, each of these assistants will work to support faculty in the academic centers in exchange for tuition, so the net effect of this program to our bottom line will be zero. AUS will offer ten graduate assistant positions next year, of which five will be funded by work-study money. Hopefully, the existence of these positions will assist in recruitment. Additionally, we are showing $49,000 in increased utility and tax expenses. Actually, this "increase" reflects a change in our accounting procedures. In prior years, utility and tax expenses that were passed along to tenants were budgeted at net cost to the University. This year, we have changed the budgeting method to show total utility and tax costs along with the total offsetting tenant payments. In fact, although the utility companies have implemented significant rate increases, as has been the case in most of the nation, we do not expect abnormal increases in our own expenses because of the substantial energy conservation improvement from our HVAC (heating, ventilation, air conditioning) control system that was installed this year.

AUS is budgeting a 2% general salary increase to commence at the beginning of the fiscal year. This amounts to $129,700 including associated benefits. We are mindful that, after considering local inflation and salaries at other comparable institutions, the AUS Faculty Roles, Compensation, and Welfare Committee has recommended a 5% minimum increase for 2003. However, budgeting to this extent was not possible because of cost cutting required to achieve the balanced budget. At mid-year, we will assess whether or not enrollment projections have materialized, and, if so, we may use mandatory contingency funds to provide an additional 2% increase. There is the possibility that the faculty may have the opportunity to increase their salary amount further if they approve a proposal by the Academic Dean regarding work redistribution. However, there has not been sufficient time for the proposal to be reviewed and discussed for this budget deadline.

The significant increase items identified above total $866,495. All other costs have decreased a total of $44,500 compared with the current year's original budget. This decrease is directly attributable to the cost cutting that has been required to balance the current year's budget in the face of declining enrollments and to balance the forthcoming year's budget which has been confronted with the substantial challenge of absorbing the cost of depreciation. The budget summaries do also show the addition of $323,000 in Contract revenues from the Gates Grant; expenses associated with the grant offset these revenues.

We are also concerned about our contingency fund, which although it exceeds the amount specified in the guidelines, is still too low in our opinion. Our region has been disproportionately affected by the recession. Layoffs in our key industries continue. It is difficult to foresee what effect this will have on enrollments. Additionally, we foresee major facilities investments and major maintenance in the near future including, for example, the replacement of the roof and repainting of our building (together roughly estimated to cost $700,000). We need more financial flexibility to provide the reserves for these necessary expenditures.

Goals and Objectives for 2002-03

The greatest priority is to achieve our project enrollments, thus allowing for the 2% increase in salary in January which, when added to the July increase, will have a measurable effect on employees' take home pay. Most of our tangible goals will be presented in the capital equipment arena since the budgeting of our depreciation allows for greater expenditure. The detail of the goals is present in the separate five-year capital plan. It is our intention to under spend this area by about $100,000 this next year so that we can add to our capital reserve fund in anticipation of redoing the roof in 2002-03.

We have reserved some money for academic program development in the hopes of continuing to support the Psychology Center in its efforts to design a doctorate program and investigate professional accreditation of its programs. The Psychology Center will also begin its partnership with the downtown YWCA by providing interns at the new YWCA facility, design a certificate for counseling the homeless, and work toward a mental health clinic staffed by our faculty and graduate students.

The creation of an MFA in creative and possibly technical writing is still on the drawing board, and the Education Center will need to redesign and implement its Principalship Certification. In addition, the Education Center is bringing on a special endorsement program for Special Education and launching the new Professional Certification for Teachers, the design of which was funded by University innovation money.

The Center for Creative Change is undergoing its self-study and university program review this spring. No doubt there will be curriculum and programmatic changes and recommendations resulting from that review for the Management, Whole System Design, Organizational Psychology, and the Environment and Community degree programs, as well as the Center in general.

One area that continues to be of concern is the lack of predictability of the site locations and enrollments for MA for Experienced Educators and the BATC. A well-oiled system of site development involving the recruiting, admissions, and matriculation still eludes the education program. In addition, facilities for the sites are becoming quite expensive as schools begin to increase rent to supplement their revenues because of state budget cutbacks. Consequently, we have specifically increased our contingency fund above the required 1% because of a concern that the problems we faced this year with the education enrollments will repeat itself next year. Admissions, Financial Aid, Registrar and the Academic Dean will be working with the program to design a system that more readily addresses the challenges of site development and services. With the recent loss of our Director of Enrollment Services, we are presented with the opportunity to continue evaluating the admissions and financial aid structures and performance to look for more effectiveness and efficiencies. Admittedly, however, the loss of the director and the time it will take to replace her also causes us some anxiety about making our projected enrollment numbers.

We have financed a 50% faculty position to direct our efforts in student outcomes assessment and provided some money for professional development opportunities for faculty to become better oriented and educated about outcomes assessment. We expect now, with resources committed toward this area, that our campus will show measurable forward movement. Since we have committed more money to faculty professional development, we expect to have faculty more visible at local, regional, and national conferences presenting their work. The Academic Dean has shared with the faculty ten proposals that he wishes to focus upon in the upcoming months: (1) strengthening the faculty by increasing salaries, adopting a faculty handbook, instituting peer performance review, encouraging collaborations across programs, requiring terminal degrees for core faculty, organizing faculty development programs with a teaching focus, encouraging faculty scholarship and professional and civic involvement, adopting a faculty workload policy, limiting faculty overloads, and instituting ten-month faculty contracts; (2) strengthening library resources; (3) encouraging administration/faculty collaboration; (4) limiting meetings and simplifying academic governance; (5) moving toward greater academic policy consistency across programs; (6) develop a serious, coordinated student service strategy; (7) adopting a code of expectations; (8) developing a campus diversity plan; (9) critically but seriously embracing the mainstream in the curriculum; and (10) focusing on ecology and the environment. We still have two program director positions to fill, one in the BA program and one in the Education Center.

Our goals in fund raising and development continue with a focus on raising money for scholarships and approaching foundations for program development money. We have established a scholarship committee that will be awarding campus scholarships for the first time in AUS history. Although they are small in number and amount, the presence of the committee establishes the commitment of the institution in this area. We are also expecting that the initial recognition we have received from the Gates and Kellogg grants will assist us greatly in our attempts to approach other foundations. We plan to bring on three more members to the Board of Visitors (BOV) in June, which will bring our total number to twelve. We are also hoping to soon have a BOV member serving on the Board of Trustees.

If the Board approves the AUS budget as submitted, we look toward a more financially stable year than this last year. Although budgets will be tight, we are expecting to make positive improvements in the areas of marketing, fund raising, program development, student services, faculty development, and capital investment.

Toni Murdock
President

Antioch Seattle

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues											
Tuition & Fees	7,996,392	8,680,601	9,112,698	8,897,500	-215,198	-2.36%	***9,882,381***	984,881	11.07%	769,683	8.45%
Less Tuition Discounts	-84,694	-102,132	-71,000	-130,113	-59,113	-83.26%	***-83,000***	47,113	36.21%	-12,000	-16.90%
Gifts	30,803	35,136	40,000	27,655	-12,345	-30.86%	***40,000***	12,345	44.64%	0	0.00%
Lead Gifts		0	0	0	0		***0***	0		0	
Grants	157,849	166,426	253,324	132,258	-121,066	-47.79%	***253,324***	121,066	91.54%	0	0.00%
Endowment Income	0	0	0	0	0		***0***	0		0	
Contracts	2,869	972	0	0	0		***0***	0		0	
Other Income	241,693	342,014	317,936	354,895	36,959	11.62%	***321,410***	-33,485	-9.44%	3,474	1.09%
Total E&G Revenue	8,344,912	9,123,017	9,652,958	9,282,195	-370,763	-3.84%	***10,414,115***	1,131,920	12.19%	761,157	7.89%
Auxiliary Enterprises	334,349	324,441	363,000	323,610	-39,390	-10.85%	***373,150***	49,540	15.31%	10,150	2.80%
Released From Restrictions	54,633	7,752	16,118	26,000	9,882	61.31%	***343,287***	317,287	1220.33%	327,169	2029.84%
Total Revenues	8,733,894	9,455,210	10,032,076	9,631,805	-400,271	-3.99%	***11,130,552***	1,498,747	15.56%	1,098,476	10.95%
Operating Expenses											
Instruction	3,371,221	3,966,527	4,210,733	4,034,957	-175,776	-4.17%	***4,384,319***	349,362	8.66%	173,586	4.12%
Research	0	0	0	0	0		***0***	0		0	
Public Service	1,267	2,205	9,700	9,064	-636	-6.56%	***1,400***	-7,664	-84.55%	-8,300	-85.57%
Academic Support	324,530	397,616	460,309	411,015	-49,294	-10.71%	***876,243***	465,228	113.19%	415,934	90.36%
Student Services	853,298	812,972	860,892	826,732	-34,160	-3.97%	***927,662***	100,930	12.21%	66,770	7.76%
Institutional Support	2,252,643	2,499,710	2,549,947	2,448,218	-101,729	-3.99%	***2,865,632***	417,414	17.05%	315,685	12.38%
Plant Maintenance	907,425	839,451	1,316,642	1,315,813	-829	-0.06%	***1,463,306***	147,493	11.21%	146,664	11.14%
Scholarships	157,013	164,959	251,174	152,855	-98,319	-39.14%	***251,174***	98,319	64.32%	0	0.00%
Total E&G Expenses	7,867,397	8,683,440	9,659,397	9,198,654	-460,743	-4.77%	***10,769,736***	1,571,082	17.08%	1,110,339	11.49%
Auxiliary Enterprises	312,525	338,345	353,288	329,008	-24,280	-6.87%	***360,816***	31,808	9.67%	7,528	2.13%
Total Operating Expenses	8,179,922	9,021,785	10,012,685	9,527,662	-485,023	-4.84%	***11,130,552***	1,602,890	16.82%	1,117,867	11.16%
Excess Revenue over Expenses	553,972	433,425	19,391	104,143	84,752	437.07%	***0***	-104,143	-100.00%	-19,391	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	417,175	59,621	575,000	570,000	-5,000	-0.87%	***211,103***	-358,897	-62.96%	-363,897	-63.29%
Borrowing Proceeds	0	0	-160,609	-127,000	33,609	20.93%		127,000	100.00%	160,609	100.00%
Principal Payments	120,000	130,000	140,000	140,000	0	0.00%	***155,000***	15,000	10.71%	15,000	10.71%
Prior Year Reserves	0	0	-85,000	-85,000	0	0.00%		85,000	100.00%	85,000	100.00%
Add back Depreciation	0	0	-450,000	-443,063	6,937	1.54%	***-466,103***	-23,040	-5.20%	-16,103	-3.58%
Total Cash Items	537,175	189,621	19,391	54,937	35,546	183.31%	***-100,000***	-154,937	-282.03%	-119,391	-615.70%
Net Cash Basis Budget	16,797	243,804	0	49,206	49,206		***100,000***	50,794	103.23%	100,000	

Antioch Seattle

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues	8,733,894	9,455,210	10,032,076	9,631,805	-400,271	-3.99%	***11,130,552***	1,498,747	15.56%	1,098,476	10.95%
Operating Expenses											
Salaries & Wages	4,032,594	4,694,477	5,174,391	5,025,880	-148,511	-2.87%	***5,666,169***	640,289	12.74%	491,778	9.50%
Benefits	977,005	1,102,172	1,271,921	1,234,838	-37,083	-2.92%	***1,434,140***	199,302	16.14%	162,219	12.75%
Training & Development	213,857	252,061	153,422	93,074	-60,348	-39.33%	***229,940***	136,866	147.05%	76,518	49.87%
Student Aid Services	49,794	55,801	48,272	45,492	-2,780	-5.76%	***46,272***	780	1.71%	-2,000	-4.14%
Special Events	44,826	48,768	42,700	47,997	5,297	12.41%	***42,900***	-5,097	-10.62%	200	0.47%
Supplies	136,772	132,036	125,936	99,948	-25,988	-20.64%	***135,414***	35,466	35.48%	9,478	7.53%
Business Operations	754,691	670,537	639,448	533,260	-106,188	-16.61%	***670,698***	137,438	25.77%	31,250	4.89%
Plant Maintenance	244,345	272,633	308,653	301,854	-6,799	-2.20%	***394,707***	92,853	30.76%	86,054	27.88%
Interest Expense	611,914	602,203	589,731	589,039	-692	-0.12%	***585,018***	-4,021	-0.68%	-4,713	-0.80%
Resale Costs	254,706	260,198	272,000	262,109	-9,891	-3.64%	***276,000***	13,891	5.30%	4,000	1.47%
Miscellaneous	17,995	15,992	37,548	27,447	-10,101	-26.90%	***219,298***	191,851	698.99%	181,750	484.05%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		***105,061***	105,061		105,061	
Campus Contingency, Discretionary	0	50,000	75,000	0	-75,000	-100.00%	***119,772***	119,772		44,772	59.70%
Liquidity Reserve	108,946	118,014	0	0	0		***0***	0		0	
Overhead											
To the University	998,673	1,081,792	823,663	823,661	-2	0.00%	***739,060***	-84,601	-10.27%	-84,603	-10.27%
Rebates from the University	-317,996	-393,379	0	0	0		***0***	0		0	
Subsidy from Adult Campuses	51,800	50,800	0	0	0		***0***	0		0	
Subsidy from Overhead	0	0	0	0	0		***0***	0		0	
Other (Intercampus Agree & Univ Conf)	0	7,680	0	0	0		***0***	0		0	
Depreciation	0	0	450,000	443,063	-6,937	-1.54%	***466,103***	23,040	5.20%	16,103	3.58%
Total Operating Expenses	8,179,922	9,021,785	10,012,685	9,527,662	-485,023	-4.84%	***11,130,552***	1,602,890	16.82%	1,117,867	11.16%
Excess Revenue over Expenses	553,972	433,425	19,391	104,143	84,752	437.07%	***0***	-104,143	-100.00%	-19,391	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	417,175	59,621	575,000	570,000	-5,000	-0.87%	***211,103***	-358,897	-62.96%	-363,897	-63.29%
Borrowing Proceeds	0	0	-160,609	-127,000	33,609	20.93%		127,000	100.00%	160,609	100.00%
Principal Payments	120,000	130,000	140,000	140,000	0	0.00%	***155,000***	15,000	10.71%	15,000	10.71%
Prior Year Reserves	0	0	-85,000	-85,000	0	0.00%		85,000	100.00%	85,000	100.00%
Add back Depreciation	0	0	-450,000	-443,063	6,937	1.54%	***-466,103***	-23,040	-5.20%	-16,103	-3.58%
Total Cash Items	537,175	189,621	19,391	54,937	35,546	183.31%	***-100,000***	-154,937	-282.03%	-119,391	-615.70%
Net Cash Basis Budget	16,797	243,804	0	49,206	49,206		***100,000***	50,794	103.23%	100,000	

ANTIOCH SEATTLE
2002-03 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
Seattle	Security Camera System	10,000
	Classroom Expansion	10,000
	Total Building Improvements	20,000
Campus	**Equipment**	**Amount**
Seattle	Computer Equipment	79,000
	Total Equipment	79,000
Campus	**Furniture & Fixtures**	**Amount**
Seattle	Ergonomic Chairs	15,000
	Video Conferencing Equipmei	17,000
	Signage	20,000
	Total Furniture & Fixtures	52,000
Campus	**Library Books**	
	Total Library Books	0
	Grand Total Capital Budget	**151,000**
		========

Antioch Seattle
Tuition Rate Changes 2002-03

Program		2001-02 Proposed	2002-03 Proposed	% Change
BA Completion	Per Credit	335	345	2.99%
BA Teachers Certificate	Per Credit	270	284	5.19%
Psychology	Per Credit	375	395	5.33%
Whole System Design	Per Credit	380	395	3.95%
Management	Per Credit	450	395	-12.22%
Education	Per Credit	340	330	-2.94%
	Site Based	273	287	5.13%
Education/Teacher Cer	Full Time	3,685	3,870	5.02%
Education/TC MA	Full Time	3,560	3,870	8.71%
Organization Systems Ren				
Northwest	Full Time	3,955	3,955	0.00%
Midwest	Full Time	3,682	3,682	0.00%
Environment & Community LRO				
	Full Time	5,410	5,625	3.97%
Environment & Community SWO				
	Per Credit	380	395	3.95%

ANTIOCH SOUTHERN CALIFORNIA
2002-03 PROPOSED BUDGET

Revenues

- Tuition Increase: LA 4% across the board, SB 5.3%, with the exception of MAE, a regional program, at 4.67% for both campuses. These levels of increases will still keep us competitive with tuition charged by similar schools in our area.
- Gross Tuition revenue is increasing to $11,492,460, with a small increase in FPEs.
- Total Revenue is $12,187,319.

Expenses

- The reduction in overhead has allowed us to put an additional $99,150 in faculty and program development region-wide.
- Compensation: 3% salary increase to all AUSC employees and corresponding fringe increases, excluding adjunct and associate. AUSC did not give salary increases in the current budgeted year.
- As part of the social justice mission of the institution, a "Living Wage" was established regionally to cover all staff. The "Living Wage" sets a minimum salary of $13.00/hour ($23,660 annually) for all employees of AUSC. Currently, 9 employees are being impacted and it will cost $25,000 to bring their salaries to the minimum.
- Provision of $20,000 for a Human Resources compensation consultant. Projected fringe benefit increases are dramatic; increase (nearly doubling) expected to California workers compensation - additional costs of around $180,000. (Our actual increases put into the budget are higher as we have attempted to correct some errors in payroll from the current year's budget.)
- Increase in medical benefits costs: $50,000.
- Mandatory operating cost increases provided for include rent, ADA compliance, insurance, graduation costs, and utilities.
- Limited resources and the higher priority given to compensation issues have resulted in some critical needs such as Development and Human Resources to be under-funded.
- Per guidelines, we have budgeted 30,000 for search costs for a new AUSC President.
- In accordance with parameters, we have budgeted:

Program contingency @1%.
Campus contingency @1%.
University Overhead at $843,660.
Depreciation expense at $100,577.

- There was no relief in the total Overhead charges in the original budget as compared to fiscal 2002. ($1,170,998 vs. $1,177.678 in current year). The reduction of $168,000 adopted by the ULC provided welcome relief. If revenues meet their targets and we get to use the Campus contingency for program support, we will allocated the contingency money as follows:

- MBA Proposal	$40,000
- MFA New Genre	$ 5,000
- MAE/Social Change (MAEx)	$15,000
- BA Weekend College	$10,000
- MAP MAP/CS and MAP/ACP	$ 5,000
- Faculty Professional Development	$10,000
- Program Development (Dean's Discretionary)	$ 3,000
- Reinstitute President's Regional Alumni Newsletter	$10,000
- Program Development (President's Discretionary)	$20,000

- Total operating budget is $12,132,219.

Capital Expenses

Total capital items budgeted are $128,600.
Principal items are:

- $32,000 for building improvements (i.e. student computer labs)
- $45,700 for computer equipment
- $20,000 for video-conference system
- $20,000 for classroom furniture in LA.
- $10,900 for scanning system, microfiche reader/printer and filing cabinets for LA Registrar.

Chloe Reid
Acting President

Antioch Southern California

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues											
Tuition & Fees	8,910,551	9,841,415	10,433,670	10,880,954	447,284	4.29%	***11,492,460***	611,506	5.62%	1,058,790	10.15%
Less Tuition Discounts	-216,258	-226,300	-156,380	-123,684	32,696	-20.91%	***-130,500***	-6,816	-5.51%	25,880	16.55%
Gifts	110,175	72,750	48,000	63,490	15,490	32.27%	***40,000***	-23,490	-37.00%	-8,000	-16.67%
Lead Gifts		0	0	0	0		***0***	0		0	
Grants	215,473	176,545	343,876	162,737	-181,139	-52.68%	***335,565***	172,828	106.20%	-8,311	-2.42%
Endowment Income	0	0	0	0	0		***0***	0		0	
Contracts	0	0	0	0	0		***0***	0		0	
Other Income	23,894	45,393	13,550	62,411	48,861	360.60%	***14,800***	-47,611	-76.29%	1,250	9.23%
Total E&G Revenue	9,043,835	9,909,803	10,682,716	11,045,908	363,192	3.40%	***11,752,325***	706,417	6.40%	1,069,609	10.01%
Auxiliary Enterprises	211,701	205,094	190,000	209,850	19,850	10.45%	***230,000***	20,150	9.60%	40,000	21.05%
Released From Restrictions	242,175	220,117	241,669	220,428	-21,241	-8.79%	***204,994***	-15,434	-7.00%	-36,675	-15.18%
Total Revenues	9,497,711	10,335,014	11,114,385	11,476,186	361,801	3.26%	***12,187,319***	711,133	6.20%	1,072,934	9.65%
Operating Expenses											
Instruction	3,509,245	3,678,235	3,996,424	3,944,873	-51,551	-1.29%	***4,497,383***	552,510	14.01%	500,959	12.54%
Research	1,400	8,600	0	0	0		***0***	0		0	
Public Service	66,609	135,065	190,102	179,979	-10,123	-5.33%	***171,637***	-8,342	-4.63%	-18,465	-9.71%
Academic Support	699,718	763,295	750,132	780,831	30,699	4.09%	***756,010***	-24,821	-3.18%	5,878	0.78%
Student Services	1,087,631	1,149,385	1,128,825	1,184,690	55,865	4.95%	***1,310,554***	125,864	10.62%	181,729	16.10%
Institutional Support	2,465,377	2,656,476	2,631,762	2,585,378	-46,384	-1.76%	***3,238,870***	653,492	25.28%	607,108	23.07%
Plant Maintenance	1,220,942	1,381,125	1,616,129	1,798,761	182,632	11.30%	***1,679,328***	-119,433	-6.64%	63,199	3.91%
Scholarships	193,723	179,729	263,002	166,549	-96,453	-36.67%	***254,477***	87,928	52.79%	-8,525	-3.24%
Total E&G Expenses	9,244,645	9,951,910	10,576,376	10,641,061	64,685	0.61%	***11,908,259***	1,267,198	11.91%	1,331,883	12.59%
Auxiliary Enterprises	230,369	252,810	183,561	202,660	19,099	10.40%	***223,960***	21,300	10.51%	40,399	22.01%
Total Operating Expenses	9,475,014	10,204,720	10,759,937	10,843,721	83,784	0.78%	***12,132,219***	1,288,498	11.88%	1,372,282	12.75%
Excess Revenue over Expenses	22,697	130,294	354,448	632,465	278,017	78.44%	***55,100***	-577,365	-91.29%	-299,348	-84.45%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	85,488	127,469	100,000	152,492	52,492	52.49%	***128,600***	-23,892	-15.67%	28,600	28.60%
Borrowing Proceeds	0	-100,302	0	0	0		***0***	0		0	
Principal Payments	0	8,513	22,000	23,845	1,845	8.39%	***0***	-23,845		-22,000	-100.00%
Prior Year Reserves	-15,466		0	0	0		***0***	0		0	
Add back Depreciation	0		-100,000	-98,320	1,680	-1.68%	***-100,577***	-2,257		-577	-0.58%
Total Cash Items	70,022	35,680	22,000	78,017	56,017	254.62%	***28,023***	-49,994	-64.08%	6,023	27.38%
Net Cash Basis Budget	-47,325	94,614	332,448	554,448	222,000	66.78%	***27,077***	-527,371	-95.12%	-305,371	-91.86%

Antioch Southern California

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues	9,497,711	10,335,014	11,114,385	11,476,186	361,801	3.26%	12,187,319	711,133	6.20%	1,072,934	9.65%
Operating Expenses											
Salaries & Wages	4,510,331	4,942,445	5,282,028	5,204,786	-77,242	-1.46%	5,586,287	381,501	7.33%	304,259	5.76%
Benefits	1,008,845	1,119,519	1,214,817	1,387,194	172,377	14.19%	1,745,283	358,089	25.81%	530,466	43.67%
Training & Development	252,122	169,353	209,100	152,027	-57,073	-27.29%	331,165	179,138	117.83%	122,065	58.38%
Student Aid Services	61,776	65,712	65,192	94,422	29,230	44.84%	59,192	-35,230	-37.31%	-6,000	-9.20%
Special Events	98,926	30,307	35,160	15,128	-20,032	-56.97%	37,860	22,732	150.26%	2,700	7.68%
Supplies	226,033	232,762	228,763	227,350	-1,413	-0.62%	232,090	4,740	2.08%	3,327	1.45%
Business Operations	1,040,740	1,083,096	968,773	901,781	-66,992	-6.92%	1,204,287	302,506	33.55%	235,514	24.31%
Plant Maintenance	1,150,051	1,338,962	1,517,864	1,600,747	82,883	5.46%	1,514,775	-85,972	-5.37%	-3,089	-0.20%
Interest Expense	30,743	54,563	47,750	36,874	-10,876	-22.78%	39,450	2,576	6.99%	-8,300	-17.38%
Resale Costs	191,331	208,759	143,000	191,210	48,210	33.71%	180,500	-10,710	-5.60%	37,500	26.22%
Miscellaneous	1,544	1,954	25,000	27,213	2,213	8.85%	20,000	-7,213	-26.51%	-5,000	-20.00%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		116,543	116,543		116,543	
Campus Contingency, Discretionary	0	0	3,990	0	-3,990	-100.00%	100,585	100,585		96,595	2420.93%
Liquidity Reserve	103,718	110,894	0	0	0		0	0		0	
Overhead											
To the University	1,140,897	1,219,832	900,000	900,000	0	0.00%	843,660	-56,340	-6.26%	-56,340	-6.26%
Rebates from the University	-395,438	-440,779	0	0	0		0	0		0	
Subsidy from Adult Campuses	53,395	55,200	0	0	0		0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	0		0	
Other (Intercampus Agree & Univ Conf)	0	12,141	18,500	6,669	-11,831	-63.95%	19,965	13,296	199.37%	1,465	7.92%
Depreciation	0	0	100,000	98,320	-1,680	-1.68%	100,577	2,257	2.30%	577	0.58%
Total Operating Expenses	9,475,014	10,204,720	10,759,937	10,843,721	83,784	0.78%	12,132,219	1,288,498	11.88%	1,372,282	12.75%
Excess Revenue over Expenses	22,697	130,294	354,448	632,465	278,017	78.44%	55,100	-577,365	-91.29%	-299,348	-84.45%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	85,488	127,469	100,000	152,492	52,492	52.49%	128,600	-23,892	-15.67%	28,600	28.60%
Borrowing Proceeds	0	-100,302	0	0	0		0	0		0	
Principal Payments	0	8,513	22,000	23,845	1,845	8.39%	0	-23,845		-22,000	-100.00%
Prior Year Reserves	-15,466	0	0	0	0		0	0		0	
Add back Depreciation	0	0	-100,000	-98,320	1,680	-1.68%	-100,577	-2,257		-577	-0.58%
Total Cash Items	70,022	35,680	22,000	78,017	56,017	254.62%	28,023	-49,994	-64.08%	6,023	27.38%
Net Cash Basis Budget	-47,325	94,614	332,448	554,448	222,000	66.78%	27,077	-527,371	-95.12%	-305,371	-91.86%

ANTIOCH SOUTHERN CALIFORNIA
2002-03 Capital Budget

Campus	Buildings	Amount
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
	Buildout student computer lab	32,000
	Total Building Improvements	32,000
Campus	**Equipment**	**Amount**
Southern CA	Computer Equipment	45,700
	Video Conferencing System	20,000
	Scanning/Archiving System	10,900
	Total Equipment	76,600
Campus	**Furniture & Fixtures**	**Amount**
Southern CA	Furniture	20,000
	Total Furniture & Fixtures	20,000
Campus	**Library Books**	
	Total Library Books	0
	Grand Total Capital Budget	**128,600**
		========

Antioch Southern California
Tuition Rate Changes 2002-03

Program	2001-02 Rates Per Quarter	2002-03 Proposed Per Quarter	% Change
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Los Angeles - BA Program	3,700	3,845	3.92%
Los Angeles - MAP & MAOM	3,925	4,080	3.95%
Los Angeles - MFA Program	4,550	4,730	3.96%
Los Angleles - Teacher Cert	3,750	3,925	4.67%
Santa Barbara - BA Program	3,600	3,800	5.56%
Santa Barbara - BA Weekend		4,000	
Santa Barbara - MAP Progra	3,750	3,950	5.33%
Santa Barbara - MAOM Proς	3,750	3,950	5.33%
Santa Barbara - MAOM Weekend		4,150	
Santa Barbara - Teacher Ce	3,750	3,925	4.67%

ANTIOCH UNIVERSITY McGREGOR
2002-03 PROPOSED BUDGET

The proposed Antioch University McGregor budget for 2002-03 is a stable and conservative financial projection built on the foundation of a successful and positive academic budget and financial year in 2001-02. The proposes expenses of $5,688,293 represents a 6.47% increase over the 2001-02 adjusted budget, but after factoring in a 3% cost-of-living tuition increase, it represents about a 3.5% increase over 2001-02, an increase that is cautious and one that might permit us to surpass budgeted revenue projections for the first time in many years.

I. 2001-02 ACCOMPLISHMENTS AND CHALLENGES

There were a number of positive developments that took place in 2001-02, the cumulative beneficial effect of which will continue to be felt in 2002-03. The undergraduate Weekend College, which for years had seen declining enrollments largely because of intense new competition in the region, improved enrollments by a dramatic 30 FTE, and this trend seems likely to continue. We received permission from the Ohio Board of Regents to "bundle" our teacher licensure program with the M.ED, rather than keeping them separate, and this should make the popular teacher licensure area even more attractive to potential students. The Conflict Resolution program, now a freestanding M.A. after previously being a "track" within the Individualized Liberal and Professional Studies program, attracted its largest cohort class in six years (25 FTE) and we anticipate similar strong enrollment in 2002-03. Our continuing education programs, especially the Educational Leadership Seminar Series for educational professionals, continues vibrant and is being expanded to provide year-round professional development opportunities rather than relying almost exclusively on summer offerings. Additionally in the continuing education area, this summer we are initiating as continuing education the first phase of our new M.A. in Management for Community College Professionals, with the M.A. itself beginning a year later in July 2003. This is a program that holds great promise for McGregor and we expect it to be a major new initiative.

The Classroom of the Future project, which has dramatically increased our visibility within the area, and which will provide close links and partnerships with Miami Valley businesses and school districts, will open this year after gifts totaling over $750,000 were successfully raised. This project has enormous implications for educational pedagogy and professional development for teachers, and opens up attractive continuing education opportunities for McGregor faculty. Our presence and participation in community life in the region has skyrocketed in the last several years and we are now respected and highly visible as a stakeholder in the Dayton and Miami Valley communities.

Financially, the consolidation of business, technology, facilities, and human resource offices among the three Yellow Springs units (McGregor, Antioch College, and University Administration) has lead to significant cost savings and a much more efficient and streamlined structure. These efficiencies have had a very positive impact on the preparation of the 2002-03 budget, saving almost $200,000.

II. MAJOR BUDGETARY CHANGES

On the development side, we have realized that our goal of $150,000 for 2001-02 was too ambitious given the relative "youth" of McGregor and our lack of an alumni network, but this area is growing rapidly and we anticipate raising $80,000 in 2002-03 with a real possibility of surpassing this projection. The grant area is growing as well. In partnership with the Springfield, Ohio, school district we recently received a State of Ohio grant to help foster diversity in the teaching force and we plan to devote more time in the future to build the grants areas to higher levels.

Though we feel very positive about this proposed budget, there are still areas of real concern. Faculty salaries remain low, workloads are too high in many cases, and we need stronger capabilities in institutional research, enrollment management, and grant writing than we can presently fund. Still, the progress has been real and the progress has been dramatic in many areas. We look forward to the new year with confidence and renewed optimism.

Barbara Gellman-Danley
President

Antioch University McGregor

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues											
Tuition & Fees	4,983,153	4,960,989	5,120,040	5,244,820	124,780	2.44%	*5,578,243*	333,423	6.36%	458,203	8.95%
Less Tuition Discounts	-64,794	-65,319	-34,130	-75,186	-41,056	-120.29%	*0*	75,186	100.00%	34,130	100.00%
Gifts	9,050	36,311	155,000	33,368	-121,632	-78.47%	*80,000*	46,632	139.75%	-75,000	-48.39%
Lead Gifts		0	0	0	0		*0*	0		0	
Grants	72,400	24,532	82,134	37,614	-44,520	-54.20%	*14,000*	-23,614	-62.78%	-68,134	-82.95%
Endowment Income	0	0	0	0	0		*0*	0		0	
Contracts	170,978	144,448	10,000	49,008	39,008	390.08%	*0*	-49,008	-100.00%	-10,000	-100.00%
Other Income	35,968	37,669	10,750	15,963	5,213	48.49%	*16,050*	87	0.55%	5,300	49.30%
Total E&G Revenue	5,206,755	5,138,630	5,343,794	5,305,587	-38,207	-0.71%	*5,688,293*	382,706	7.21%	344,499	6.45%
Auxiliary Enterprises	26,290	10,380	0	0	0		*0*	0		0	
Released From Restrictions	35,000	19,839	51,250	-39,101	-90,351	-176.29%	*0*	39,101	-100.00%	-51,250	-100.00%
Total Revenues	5,268,045	5,168,849	5,395,044	5,266,486	-128,558	-2.38%	5,688,293	421,807	8.01%	293,249	5.44%
Operating Expenses											
Instruction	2,329,510	2,110,070	2,560,852	2,542,417	-18,435	-0.72%	*2,945,393*	402,976	15.85%	384,541	15.02%
Research	0	0	0	0	0		*0*	0		0	
Public Service	147,550	123,836	17,374	0	-17,374	-100.00%	*0*	0		-17,374	-100.00%
Academic Support	158,588	149,985	115,010	130,825	15,815	13.75%	*20,000*	-110,825	-84.71%	-95,010	-82.61%
Student Services	700,270	657,293	697,261	617,017	-80,244	-11.51%	*832,044*	215,027	34.85%	134,783	19.33%
Institutional Support	1,931,988	1,993,463	1,620,092	1,658,423	38,331	2.37%	*1,591,248*	-67,175	-4.05%	-28,844	-1.78%
Plant Maintenance	94,968	102,140	321,000	189,619	-131,381	-40.93%	*285,608*	95,989	50.62%	-35,392	-11.03%
Scholarships	15,640	14,470	11,000	13,244	2,244	20.40%	*14,000*	756	5.71%	3,000	27.27%
Total E&G Expenses	5,378,514	5,151,257	5,342,589	5,151,546	-191,043	-3.58%	*5,688,293*	536,747	10.42%	345,704	6.47%
Auxiliary Enterprises	60,261	5,000	0	0	0		*0*	0		0	
Total Operating Expenses	5,438,775	5,156,257	5,342,589	5,151,546	-191,043	-3.58%	*5,688,293*	536,747	10.42%	345,704	6.47%
Excess Revenue over Expenses	-170,730	12,592	52,455	114,940	62,485	119.12%	*0*	-114,940	-100.00%	-52,455	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	21,843	163,594	100,000	231,750	131,750	131.75%	*99,550*	-132,200	-57.04%	-450	-0.45%
Borrowing Proceeds	0	-163,594	-100,000	-50,093	49,907	49.91%		50,093	100.00%	100,000	100.00%
Principal Payments	0	0	16,818	16,818	0	0.00%	*18,445*	1,627	9.67%	1,627	9.67%
Prior Year Reserves	-192,573	0	0	0	0			0		0	
Add back Depreciation	0	0	-200,000	-185,105	14,895	7.45%	*-156,830*	28,275	15.28%	43,170	21.59%
Total Cash Items	-170,730	0	-183,182	13,370	196,552	107.30%	*-38,835*	-52,205	390.46%	144,347	78.80%
Net Cash Basis Budget	0	12,592	235,637	101,570	-134,067	-56.90%	*38,835*	-62,735	-61.77%	-196,802	-83.52%

Antioch University McGregor
2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues	5,268,045	5,168,849	5,395,044	5,266,486	-128,558	-2.38%	***5,688,293***	421,807	8.01%	293,249	5.44%
Operating Expenses											
Salaries & Wages	2,609,319	2,579,702	2,690,560	2,783,002	92,442	3.44%	***2,901,234***	118,232	4.25%	210,674	7.83%
Benefits	743,905	717,394	804,440	908,520	104,080	12.94%	***920,119***	11,599	1.28%	115,679	14.38%
Training & Development	106,041	82,044	102,807	51,757	-51,050	-49.66%	***131,493***	79,736	154.06%	28,686	27.90%
Student Aid Services	35,133	32,698	146,173	79,734	-66,439	-45.45%	***150,099***	70,365	88.25%	3,926	2.69%
Special Events	41,580	46,513	37,211	21,834	-15,377	-41.32%	***33,968***	12,134	55.57%	-3,243	-8.72%
Supplies	62,766	58,769	74,781	40,287	-34,494	-46.13%	***58,790***	18,503	45.93%	-15,991	-21.38%
Business Operations	712,337	656,491	718,291	581,976	-136,315	-18.98%	***685,369***	103,393	17.77%	-32,922	-4.58%
Plant Maintenance	106,002	107,050	137,970	111,267	-26,703	-19.35%	***28,336***	-82,931	-74.53%	-109,634	-79.46%
Interest Expense	26,017	36,844	34,300	28,529	-5,771	-16.83%	***21,740***	-6,789	-23.80%	-12,560	-36.62%
Resale Costs	0	0	0	0	0		***0***	0		0	
Miscellaneous	10,157	11,305	30,037	3,733	-26,304	-87.57%	***7,983***	4,250	113.85%	-22,054	-73.42%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		***56,493***	56,493		56,493	
Campus Contingency, Discretionary	0	0	8,679	0	-8,679	-100.00%	***0***	0		-8,679	-100.00%
Liquidity Reserve	60,327	58,601	0	0	0		***0***	0		0	
Overhead											
To the University	663,601	638,708	500,000	500,000	0	0.00%	***412,061***	-87,939	-17.59%	-87,939	-17.59%
Rebates from the University	-228,435	-232,258	0	0	0		***0***	0		0	
Subsidy from Adult Campuses	34,600	34,200	0	0	0		***0***	0		0	
Subsidy from Overhead	0	0	-150,000	-150,000	0	0.00%	***0***	150,000	100.00%	150,000	100.00%
Other (Intercampus Agree & Univ Conf)	455,425	328,196	7,340	5,802	-1,538	-20.95%	***123,778***	117,976	2033.37%	116,438	1586.35%
Depreciation	0	0	200,000	185,105	-14,895	-7.45%	***156,830***	-28,275	-15.28%	-43,170	-21.59%
Total Operating Expenses	5,438,775	5,156,257	5,342,589	5,151,546	-191,043	-3.58%	***5,688,293***	536,747	10.42%	345,704	6.47%
Excess Revenue over Expenses	-170,730	12,592	52,455	114,940	62,485	119.12%	***0***	-114,940	-100.00%	-52,455	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	21,843	163,594	100,000	231,750	131,750	131.75%	***99,550***	-132,200	-57.04%	-450	-0.45%
Borrowing Proceeds	0	-163,594	-100,000	-50,093	49,907	49.91%	***0***	50,093	100.00%	100,000	100.00%
Principal Payments	0	0	16,818	16,818	0	0.00%	***18,445***	1,627	9.67%	1,627	9.67%
Prior Year Reserves	-192,573	0	0	0	0		***0***	0		0	
Add back Depreciation	0	0	-200,000	-185,105	14,895	7.45%	***-156,830***	28,275	15.28%	43,170	21.59%
Total Cash Items	-170,730	0	-183,182	13,370	196,552	107.30%	***-38,835***	-52,205	390.46%	144,347	78.80%
Net Cash Basis Budget	0	12,592	235,637	101,570	-134,067	-56.90%	***38,835***	-62,735	-61.77%	-196,802	-83.52%

Antioch University McGregor
2002-03 Capital Budget

Campus	**Buildings**	**Amount**
	Total Buildings	0
Campus	**Building Improvements**	**Amount**
	Remodel Student Services	11,700
	Heating/Cooling Conference Rm	6,000
	Signage, various painting	16,850
	Total Building Improvements	34,550
Campus	**Equipment**	**Amount**
McGregor	Network Upgrage	20,000
	First Class Server	15,000
	Classroom/Future equipment	30,000
	Total Equipment	65,000
Campus	**Furniture & Fixtures**	**Amount**
	Total Furniture & Fixtures	0
Campus	**Library Books**	
	Total Library Books	0
	Grand Total Capital Budget	**99,550**
		========

Antioch University McGregor
Tuition Rate Changes 2002-03

Program	2001-02 Rates Per Quarter	2002-03 Proposed Per Quarter	% Change
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Weekend College	2,695	2,779	3.12%
Graduate Management	3,384	3,480	2.84%
Management - Comm College		3,928	
IMA Classic	1,624	1,673	3.02%
IMA Intercultural Relations	2,488	2,563	3.01%
IMA Conflict Resolution	2,678	2,758	2.99%
Teacher Certification	3,127	3,225	3.13%
MA Education	2,179	2,247	3.12%
Education Licensure	2,304	2,376	3.13%

ANTIOCH UNIVERSITY ADMINISTRATION
2002-03 PROPOSED BUDGET

The budget for the University Administration reflects a number of changes. Some of these are the result of decisions made by the Stabilization Committee, while others are the result of the need to operate more frugally in order to reduce overhead pressure on the non-residential campuses. At the February ULC Meeting, it was agreed that the University Administration and University-Wide budgets should be developed at a total cost of $2.4 million. In previous years, the budgets for these two units were developed with a goal of reducing the net overhead percentage rather than on the basis of a fixed dollar figure. Although the $2.4 million figure turned out to be remarkably close to what would have been needed to maintain the University Administration and University-Wide operations at a level of the previous year, the Chancellor concluded that we would need to operate with less. As a result, an additional $200,000 was cut from the preliminary Overhead allocation, and the proposed Overhead support level is $210,002 below the prior budget. This is the fourth consecutive year in which Overhead support for the University Administration has declined.

MAJOR CHANGES

The appointment of Jim Craiglow as Acting Chancellor has added an additional salary to the University Administration budget. At the same time, the former chancellor will remain on the payroll until the end of the calendar year.

As a result of the administrative consolidation in Yellow Springs, one additional position was added to the Human Resources area. This position is responsible for administering the fringe benefit programs across the University. The workload associated with fringe benefit plans, particularly our medical program, has increased significantly over the last several years. In addition, more individuals are becoming concerned about their retirement plans and are requesting additional information about SRA and TDA options. Managing the growing cost of these programs and providing additional employee support will not be possible without a position dedicated to this function.

A clerical position and a major academic administrator position have been dropped from the 2002-03 budget.

Salary increases for all employees in the University Administration budget are projected to increase by 2% in 2002-03.

A 15% increase in the cost of medical benefits has been budgeted beginning on January 1, 2003.

The sabbatical escrow for the Vice Chancellors has been increased to $40,000 in order to partially catch up with the amount needed to fully fund this benefit.

The position in the University Administration responsible for managing networks and handling computer security has been moved to the Information Technology Shared Services budget.

The budget reflects the shared services costs for Physical Plant, Human Relations, Information Technology and Business Services.

The cost of the Ph.D. Program and associated revenue have been removed from the University Administration budget and established as a separate operating unit.

Glenn H. Watts
Vice Chancellor

University Administration

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected		Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget		Change From 2001-02 Budget to 2002-03 Budget	
					$	%		$	%	$	%
Revenues											
Tuition & Fees	0	0	0	0	0		*0*	0		0	
Less Tuition Discounts	0	0	0	0	0		*0*	0		0	
Gifts	40,736	121,500	35,000	32,750	-2,250	-6.43%	*10,000*	-22,750	-69.47%	-25,000	-71.43%
Lead Gifts		0	0	0	0		*0*	0		0	
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	-494	0	0	0		*0*	0		0	
Total E&G Revenue	40,736	121,006	35,000	32,750	-2,250	-6.43%	*10,000*	-22,750	-69.47%	-25,000	-71.43%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Released From Restrictions	0	0	0	0	0		*0*	0		0	
Total Revenues	40,736	121,006	35,000	32,750	-2,250	-6.43%	*10,000*	-22,750	-69.47%	-25,000	-71.43%
Net Overhead for Central Operations	1,970,555	1,932,369	1,873,912	1,753,129	-120,783	-6.45%	*1,663,910*	-89,219	-5.09%	-210,002	-11.21%
Operating Expenses											
Instruction	0	0	0		0		*0*	0		0	
Research	0	0	0		0		*0*	0		0	
Public Service	0	0	0		0		*0*	0		0	
Academic Support	0	0	0		0		*0*	0		0	
Student Services	118,651	104,608	96,622	96,000	-622	-0.64%	*101,031*	5,031	5.24%	4,409	4.56%
Institutional Support	1,782,842	1,894,655	1,756,290	1,672,683	-83,607	-4.76%	*1,572,879*	-99,804	-5.97%	-183,411	-10.44%
Plant Maintenance	0	0	0		0		*0*	0		0	
Scholarships	0	0	0		0		*0*	0		0	
Total E&G Expenses	1,901,493	1,999,263	1,852,912	1,768,683	-84,229	-4.55%	*1,673,910*	-94,773	-5.36%	-179,002	-9.66%
Auxiliary Enterprises	0	0	0		0		*0*	0		0	
Total Operating Expenses	1,901,493	1,999,263	1,852,912	1,768,683	-84,229	-4.55%	*1,673,910*	-94,773	-5.36%	-179,002	-9.66%
Excess Revenue over Expenses	109,798	54,112	56,000	17,196	-38,804	-69.29%	*0*	-17,196	-100.00%	-56,000	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	109,798	54,112	56,000	17,196	-38,804	-69.29%	*0*	-17,196	-100.00%	-56,000	-100.00%
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	109,798	54,112	56,000	17,196	-38,804	-69.29%	*0*	-17,196	-100.00%	-56,000	-100.00%
Net Cash Basis Budget	0	0	0	0	0		*0*	0		0	

University Administration

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues	2,011,291	2,053,375	1,908,912	1,785,879	-123,033	-6.45%	*1,673,910*	-111,969	-6.27%	-235,002	-12.31%
Operating Expenses											
Salaries & Wages	1,023,229	1,053,673	991,918	1,040,732	48,814	4.92%	*895,698*	-145,034	-13.94%	-96,220	-9.70%
Benefits	290,620	326,301	331,740	322,838	-8,902	-2.68%	*348,871*	26,033	8.06%	17,131	5.16%
Training & Development	211,123	177,555	165,300	121,313	-43,987	-26.61%	*102,200*	-19,113	-15.76%	-63,100	-38.17%
Student Aid Services	0	0	0	0	0		*0*	0		0	
Special Events	703	0	0	0	0		*0*	0		0	
Supplies	40,915	43,447	30,986	21,057	-9,929	-32.04%	*38,165*	17,108	81.25%	7,179	23.17%
Business Operations	169,240	226,540	144,425	106,360	-38,065	-26.36%	*92,048*	-14,312	-13.46%	-52,377	-36.27%
Plant Maintenance	152,413	161,725	157,529	154,469	-3,060	-1.94%	*169,828*	15,359	9.94%	12,299	7.81%
Interest Expense	676	4	300	282	-18	-6.00%	*300*	18	6.38%	0	0.00%
Resale Costs	0	0	0	0	0		*0*	0		0	
Miscellaneous	8,019	5,462	5,714	1,632	-4,082	-71.44%	*1,800*	168	10.29%	-3,914	-68.50%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		*0*	0		0	
Campus Contingency, Discretionary	0	0	25,000	0	-25,000	-100.00%	*25,000*	25,000		0	0.00%
Liquidity Reserve	0	0	0	0	0		*0*	0		0	
Overhead											
To the University	0	0	0	0	0		*0*	0		0	
Rebates from 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)	4,555	4,556	0	0	0		*0*	0		0	
Depreciation	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	1,901,493	1,999,263	1,852,912	1,768,683	-84,229	-4.55%	*1,673,910*	-94,773	-5.36%	-179,002	-9.66%
Excess Revenue over Expenses	109,798	54,112	56,000	17,196	-38,804	-69.29%	*0*	-17,196	-100.00%	-56,000	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	109,798	54,112	56,000	17,196	-38,804	-69.29%	*0*	-17,196	-100.00%	-56,000	-100.00%
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	109,798	54,112	56,000	17,196	-38,804	-69.29%	*0*	-17,196	-100.00%	-56,000	-100.00%
Net Cash Basis Budget	0	0	0	0	0		*0*	0		0	

ANTIOCH REVIEW
2002-03 PROPOSED BUDGET

The Antioch Review will end the fiscal year with an anticipated deficit of about $11,600. We were unable to meet our fund raising goal without the single large gift of the previous year and because of fall-off in general support. We have been able to meet our revenue goals in sales, kept our costs to a minimum and scaled back on events to save money. Editorially, it was a successful year with two pieces appearing in the 2003 Pushcart Prize volume and the editor appearing on a panel on publishing at the Small Press Fair in New York. The Review will be featured this summer on Preview Port, the largest on-line literary service in America with three million hits per month. Warren Bennis, a distinguished author and graduate of Antioch College, agreed to join our national advisory board.

We have added five new volunteer readers to the staff and their efforts should go a long way toward reducing our backlog of manuscripts, which has become a significant problem for the magazine. We continue to publish on schedule and the staff and out-of-house workers remain the same. Next year we hope to increase our annual fund and hope that a grant application ($10,000) to the N.E.A. for audience development is funded. We will receive a modes grant from the Ohio Arts Council ($2,500) for next year. Our costs are basic: editorial, printing, stipends and we rely on the continuing services of the University to provide essential technical services (computer maintenance). We hope to reduce our deficit, but need continuing support in order to maintain the magazine as a public expression of the University's commitment to literary and cultural values.

Robert Fogarty
Editor

Antioch Review

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues											
Tuition & Fees	0	0	0	0			*0*			0	
Less Tuition Discounts	0	0	0	0			*0*			0	
Gifts	19,398	50,757	56,509	37,781	-18,728	-33.14%	*57,495*	19,714	52.18%	986	1.74%
Lead Gifts		0	0	0			*0*			0	
Grants	8,101	3,000	3,084	3,084	0	0.00%	*2,993*	-91	-2.95%	-91	-2.95%
Endowment Income	9,564	9,200	9,500	10,149	649	6.83%	*9,500*	-649	-6.39%	0	0.00%
Contracts	0	0	0	0			*0*			0	
Other Income	10,112	6,200	6,700	9,200	2,500	37.31%	*6,700*	-2,500	-27.17%	0	0.00%
Total E&G Revenue	47,175	69,157	75,793	60,214	-15,579	-20.55%	*76,688*	16,474	27.36%	895	1.18%
Auxiliary Enterprises	58,793	55,500	56,000	55,744	-256	-0.46%	*56,000*	256	0.46%	0	0.00%
Released From Restrictions	2,760	2,500	0	0		0.00%	*0*	0		0	
Total Revenues	108,728	127,157	131,793	115,958	-15,835	-12.02%	*132,688*	16,730	14.43%	895	0.68%
Operating Expenses											
Instruction	0	0	0	0	0		*0*	0		0	
Research	0	0	0	0	0		*0*	0		0	
Public Service	109,690	127,157	131,793	127,572	-4,221	-3.20%	*132,688*	5,116	4.01%	895	0.68%
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	109,690	127,157	131,793	127,572	-4,221	-3.20%	*132,688*	5,116	4.01%	895	0.68%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	109,690	127,157	131,793	127,572	-4,221	-3.20%	*132,688*	5,116	4.01%	895	0.68%
Excess Revenue over Expenses	-962	0	0	-11,614	-11,614		*0*	11,614	100.00%	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	-962	0	0	-11,614	-11,614		*0*	11,614	100.00%	0	

Antioch Review

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues	108,728	127,157	131,793	115,958	-15,835	-12.02%	*132,688*	16,730	14.43%	895	0.68%
Operating Expenses											
Salaries & Wages	32,547	50,850	51,808	51,981	173	0.33%	*51,300*	-681	-1.31%	-508	-0.98%
Benefits	17,539	22,882	26,760	27,464	704	2.63%	*29,613*	2,149	7.82%	2,853	10.66%
Training & Development	2,331	2,200	2,200	463	-1,737	-78.95%	*2,200*	1,737	375.16%	0	0.00%
Student Aid Services	0	0	0	0	0		*0*	0		0	
Special Events	0	0	0	0	0		*0*	0		0	
Supplies	-2,142	-2,575	-2,575	-2,702	-127	-4.93%	*-2,575*	127	4.70%	0	0.00%
Business Operations	54,859	53,700	53,500	50,366	-3,134	-5.86%	*52,150*	1,784	3.54%	-1,350	-2.52%
Plant Maintenance	0	100	100	0	-100	-100.00%	*0*	0		-100	-100.00%
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 from 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)	4,556	0	0	0	0		*0*	0		0	
Depreciation	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	109,690	127,157	131,793	127,572	-4,221	-3.20%	*132,688*	5,116	4.01%	895	0.68%
Excess Revenue over Expenses	-962	0	0	-11,614	-11,614		*0*	11,614	100.00%	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	-962	0	0	-11,614	-11,614		*0*	11,614	100.00%	0	

PH.D. IN LEADERSHIP AND CHANGE
2002-03 PROPOSED BUDGET

BUDGET GENERAL SUMMARY

Academic Year 2002-03 will be the first full year of operations for the Ph.D. in Leadership and Change Program. We will have a small cohort of continuing students as well as a full cohort entering in July 2002. A number of the program's basic design elements impact budget. Of the most noteworthy: 'one-stop service shop' for the students, a networked faculty model with a range of faculty roles, and the use of and payment for many support services provided from other campuses of the University.

REVENUE

- The $598,250 tuition revenue represents a 36 FTE total enrollment, an entering student cohort of 25 student FTE and a continuing student cohort of 11. The tuition discount of $5,500 represents $500 each for 11 students who are part of Cohort 1, and who receive a $500 tuition discount for each of their three pre-Candidacy years.
- Annual tuition is $16,500 and has been set competitively with other non-traditional doctoral programs.
- There is no grants or contracts revenue anticipated at this time, although it is our goal to begin seeking non-tuition sources of income during this year.

PERSONNEL EXPENSES

All positions, unless otherwise noted, will receive a 2% across-the-board increase for the full year.

Faculty

Core faculty expenses for 2002-03 cover the following positions:

- The Director (actually divided 50% in Faculty and 50% in Administration).
- Two full-time, full-year Core Faculty.
- A full-time Library Faculty (housed at ANE) starting in January 03, at $40,000 annual salary. No 2% raise is calculated for this position during this year.
- Al Guskin's salary (0.25 FTE) is not carried in this budget, but rather, is in the University budget.

<u>Student-Faculty Ratio/Explanation</u>:

36 student FTE: 2.75 Faculty FTE (not including Library Faculty)

Administration/Staff

Administration/Staff expenses for 2002-03 cover the following positions:

- Half of the Director's salary is placed here.
- One full-time Staff Administrator/Registrar.
- There is 0.25 FTE of a Library staff member at ANE Library (totaling $7,900.00).
- An annual stipend of $5,000 to Antioch Seattle Registrar for regular registrarial consultation, two site visits, and file auditing services.

Over the long term, our goal is to keep the staffing small, efficient, and organized around student/faculty needs. During this first full-year of operation, the program office staff will be supported by registrar services and financial aid services from other Antioch campuses.

NON-PERSONNEL EXPENSES

- **Business Travel**

  Business Travel expenses have been set $40,000.

  Travel is calculated at $500 airfare per trip for the five residencies scheduled for 2002-03 for a minimum of six faculty/staff. One of the residencies is 8 days in YSO; the other four are 4-day trips. Hotel stays are calculated at $150 per night for hotel; $50 per day for food.

  5 res x 6 =30 trips x $500 = $15,000 airfare
  1 res x 8 nights x 6 = 48 x $200= $9, 600
  4 res x 4 nights x 6 = 96 x $150 = $14,400

- **Local Meetings**

  Local Meetings at $16,000 represents $10,000 for a meeting of the Advisory Board to be held in Los Angeles in fall and then miscellaneous costs incurred at the residencies, such as food, and security if necessary.

- **Recruitment**

  The $10,000 for employee recruitment represents expenses for one national faculty search to start in fall, and one regional (Northeast) librarian search to also start in fall.

- **Professional Development**

  Professional Development at $4,500 represents faculty development of $1,000-$1,500 for each Core Faculty member.

- **Office Supplies, Computer Supplies, Furniture**
  Office Supplies ($3,689) and Furniture ($1,000) are estimated amounts to cover the costs of the program office, and three faculty home offices. The $1,000 is for office furniture for the Core Faculty member who will be hired for 2003-04.
- **Subscriptions**
  Subscriptions at $16,000 represents $15,000 for acquisitions at the ANE library, including ProQuest Psych/Edu ($5,780), Dissertation Abstracts ($2,486 annual plus $580 for one-time backlist) and PsychArticles ($2,500). The additional $1,000 is for faculty subscriptions to assorted journals, like The Chronicle.
- **Purchased Services**
  The $7,000 represents payment to What If Network for computer systems support, including E-mail. ($125 monthly server hosting fee = $1500; $5 per user per month for @ 45 users = $2700; $2800 for modifications, forms development, etc.)
- **Consulting Services**
  Consulting Services at $25,000 is for Visiting Faculty who are on contracts with the program for a range of curriculum and program assessment consultations and for a range of payments.
- **Honoraria**
  The $5,000 is for guest faculty presentations at five residencies, with $3,000 for the summer residency, and $2,000 split between the smaller 3-day residencies.
- **Printing**
  Printing at $6,000 represents the printing of brochures, program documents, and mailers.
- **Postage**
  Postage expenses are set at $10,000, which covers regular mail as well as several larger direct mailings to university alumni and to targeted mailing lists.
- **Advertising**
  Advertising expenses are set at $15,000 and are earmarked for targeted ad placement, such as The Nation and professional association newsletters.
- **Telecommunications**
  $12,000 for telecommunications represents $1,000 a month for phone and conference calls and DSL/cable modem connections for the home offices of three Core Faculty as well as the telecommunications costs for the Program Office.

- **Computer Maintenance**
  The $2,000 is set aside to cover computer maintenance at the three faculty home offices.
- **Intercampus Agreements**
  The $6,000 represents the following inter-campus agreements:
  For Financial Aid Services: Up to $5,000 to Antioch McGregor Financial Aid Office calculated on $250 per person times 20 students. In 01-02, McGregor serviced six students in their Financial Aid needs.
  For recognition of the registrarial consultation from Antioch Seattle: $1,000 to the Antioch Seattle Registrar's Office Professional Development line.
- **Depreciation**
  Calculated at $2,964.

Two special notes:
No University Overhead is paid by the Ph.D. program this year. Overhead is based on the last 3 years' average actual operating revenues and, in the case of the Ph.D. Program, this is zero. The Ph.D. Program will start paying overhead in 2003-04.

While no contingency is shown on the budget schedules, the Program will have $50,000 in its restricted account coming in July 2002. This will serve as the program's contingency in case of an unexpected situation which cannot be covered by the tuition-generated income.

Laurien Alexandre
Director

PhD in Leadership and Change

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	Half Year 2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	%	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	%	Change From 2001-02 Budget to 2002-03 Budget $	%
Revenues											
Tuition & Fees			125,000	100,000	-25,000	-20.00%	*598,250*	498,250	498.25%	473,250	378.60%
Less Tuition Discounts			0	-7,500	-7,500		*-5,500*	2,000	26.67%	-5,500	
Gifts			0	0	0		*0*	0		0	
Lead Gifts			0	0	0		*0*	0		0	
Grants			0	0	0		*0*	0		0	
Endowment Income			0	0	0		*0*	0		0	
Contracts			0	0	0		*0*	0		0	
Other Income			0	0	0		*0*	0		0	
Total E&G Revenue			125,000	92,500	-32,500	-26.00%	*592,750*	500,250	540.81%	467,750	374.20%
Auxiliary Enterprises			0	0	0		*0*	0		0	
Released From Restrictions			130,527	88,126	-42,401	-32.48%	*0*	-88,126	-100.00%	-130,527	-100.00%
Total Revenues			255,527	180,626	-74,901	-29.31%	*592,750*	412,124	228.16%	337,223	131.97%
Operating Expenses											
Instruction			250,527	180,626	-69,901	-27.90%	*592,750*	412,124	228.16%	342,223	136.60%
Research			0	0	0		*0*	0		0	
Public Service			0	0	0		*0*	0		0	
Academic Support			0	0	0		*0*	0		0	
Student Services			0	0	0		*0*	0		0	
Institutional Support			0	0	0		*0*	0		0	
Plant Maintenance			0	0	0		*0*	0		0	
Scholarships			0	0	0		*0*	0		0	
Total E&G Expenses			250,527	180,626	-69,901	-27.90%	*592,750*	412,124	228.16%	342,223	136.60%
Auxiliary Enterprises			0	0	0		*0*	0		0	
Total Operating Expenses			250,527	180,626	-69,901	-27.90%	*592,750*	412,124	228.16%	342,223	136.60%
Excess Revenue over Expenses			5,000	0	-5,000	-100.00%	*0*	0		-5,000	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures			5,000	0	-5,000	-100.00%	*0*	0		-5,000	-100.00%
Borrowing Proceeds			0	0	0		*0*	0		0	
Principal Payments			0	0	0		*0*	0		0	
Prior Year Reserves			0	0	0		*0*	0		0	
Add back Depreciation			-2,110	-2,217	-107	-5.07%	*-2,964*	-747	-33.69%	-854	-40.47%
Total Cash Items			2,890	-2,217	-5,107	-176.71%	*-2,964*	-747	-33.69%	-5,854	-202.56%
Net Cash Basis Budget			2,110	2,217	107	5.07%	*2,964*	747	33.69%	854	40.47%

PhD in Leadership and Change
2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	Half Year 2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues			255,527	180,626	-74,901	-29.31%	592,750	412,124	228.16%	337,223	131.97%
Operating Expenses											
Salaries & Wages			112,161	103,330	-8,831	-7.87%	302,088	198,758	192.35%	189,927	169.33%
Benefits			33,006	30,210	-2,796	-8.47%	107,509	77,299	255.87%	74,503	225.73%
Training & Development			28,000	14,972	-13,028	-46.53%	70,500	55,528	370.88%	42,500	151.79%
Student Aid Services			0	0	0		0	0		0	
Special Events			0	0	0		0	0		0	
Supplies			2,250	636	-1,614	-71.73%	4,689	4,053	637.26%	2,439	108.40%
Business Operations			67,000	22,498	-44,502	-66.42%	96,000	73,502	326.70%	29,000	43.28%
Plant Maintenance			0	5,460	5,460		2,000	-3,460	-63.37%	2,000	
Interest Expense			0	53	53		1,000	947	1786.79%	1,000	
Resale Costs			0	0	0		0	0		0	
Miscellaneous			0	0	0		0	0		0	
Contingency/Reserves											
Campus Contingency, Mandatory			0	0	0		0	0		0	
Campus Contingency, Discretionary			0	0	0		0	0		0	
Liquidity Reserve			0	0	0		0	0		0	
Overhead											
To the University			0	0	0		0	0		0	
Rebates from the University			0	0	0		0	0		0	
Subsidy from Adult Campuses			0	0	0		0	0		0	
Subsidy from Overhead			0	0	0		0	0		0	
Other (Intercampus Agree & Univ Conf)			6,000	1,250	-4,750	-79.17%	6,000	4,750	380.00%	0	0.00%
Depreciation			2,110	2,217	107	5.07%	2,964	747	33.69%	854	40.47%
Total Operating Expenses			250,527	180,626	-69,901	-27.90%	592,750	412,124	228.16%	342,223	136.60%
Excess Revenue over Expenses			5,000	0	-5,000	-100.00%	0	0		-5,000	-100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures			5,000	0	-5,000	-100.00%	0	0		-5,000	-100.00%
Borrowing Proceeds			0	0	0		0	0		0	
Principal Payments			0	0	0		0	0		0	
Prior Year Reserves			0	0	0		0	0		0	
Add back Depreciation			-2,110	-2,217	-107	-5.07%	-2,964	-747	-33.69%	-854	-40.47%
Total Cash Items			2,890	-2,217	-5,107	-176.71%	-2,964	-747	-33.69%	-5,854	-202.56%
Net Cash Basis Budget			2,110	2,217	107	5.07%	2,964	747	33.69%	854	40.47%

PhD in Leadership and Change
Tuition Rate Changes 2002-03

Program	2001-02 Rates	2002-03 Proposed	Percent Increase
Tuition	16,000	16,500	3.13%
Total per Year	16,000	16,500	3.13%

WYSO RADIO
2002-03 PROPOSED BUDGET

I. 2001-02 ACCOMPLISHMENTS AND CHALLENGES

WYSO Public Radio is the Miami Valley's most popular public radio station (according to Winter 2002 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 News, Ohio Public Radio (OPR), and the Voice of America (VOA) as well as producing material for other public radio programs including PRI's *Marketplace* and NPR's *Justice Talking*. Additionally, WYSO features programming from the BBC World Service, **the** Canadian Broadcasting Corporation (CBC), and locally-produced programming of interest to the Dayton/Springfield marketplace.

During the current fiscal year, the station has continued along the growth path it has pursued for the last several years. Nevertheless, while it has consistently demonstrated that targeted investments in talent acquisition, professional development, and infrastructure/capacity building allow it to operate a relatively self-sufficient public radio service, this year has been typified by some of the station's greatest accomplishments and most difficult challenges.

WYSO's weekly listening audience has climbed to all-time highs. Doubtless a beneficiary of increased listenership to public radio stations nationwide during the months following the tragedies of September 11, 2001, WYSO's weekly audience within its Total Service Area (TSA) surpassed the 50,000 mark for the first time in its 44-year history. The Winter 2002 Arbitron book set another record when it showed WYSO's Metro service numbers also surpassing the 50K listenership level for the first time ever. The Metro figure is up 44% from the station's Summer 2001 Metro level and 8% from Fall 2001. Management attributes these successes to solid evidence of significant increases to the station's news/information programming, particularly due to the addition, in the days following 9/11, of *PRI's The World* and, in January 2002, to the addition of Ryan Warner as WYSO Local Host/Reporter during *NPR's Morning Edition*. Mr. Warner is a very notable addition to the WYSO staff and the station's overall service and air sound.

Despite these achievements, this fiscal year saw WYSO going through a difficult stage of its own evolution when the decision was reached to cancel 14-hours of existing programming out of its 168-hour weekly schedule. These decisions were not made in haste or without a great deal of research, exploration, and consultation within the public radio community, as well as with the University Administration and the Resource Board.

The specific causes that led to the cancellations date back nearly a dozen years, when WYSO began to confront the same facts that have had to be dealt with at public radio stations nationwide:

- no matter how much they would like to do so, public radio stations cannot be all things to all people
- attempting to do so limits, rather than enhances, public service opportunities, as offering only a handful of hours of a particular, niche-oriented form of programming tends to be a distraction to listeners (the vast majority of whom prefer some amount of consistency and continuity)
- this, in turn, causes lower, overall levels of listening with the average listener spending fewer hours per week tuning in
- when this occurs, the impetus to donate to the station during on-air membership campaigns is significantly diminished, and less audience means lower rates can be charged for station underwriting availabilities to local businesses

All terrestrially-based radio stations, public and commercial, now acknowledge that traditional radio broadcast stations have entered a period that may very well have as much impact and be seen as being as transformative as was the introduction of television, five decades ago.

WYSO is preparing to face the challenge of an increasingly complex and competitive media environment. The era of AM and FM only is long gone. Whether it is the ubiquity of cassette and CD players in automobiles, increased ease-of-use and proliferation of computer audio distribution technologies (e.g., MP3s), the introduction of satellite radio services from XM Satellite Radio (www.xmsatelliteradio.com) and Sirius Satellite Radio (www.siriusradio.com) or, in the not-too-distant future, easy-to-access wireless Internet...the future is here and cannot be ignored.

The construct of public broadcasting in the United States demands that stations pay attention to market forces. Federal grant dollars, which flow to WYSO and other stations through the Corporation for Public Broadcasting (CPB), are predicated on the station's ability to demonstrate that it is serving a baseline of audience relative to its market size (via Arbitron ratings) or that it can command a certain threshold of community financial support. If the station cannot achieve these benchmarks, it will cease to be eligible to receive continued CPB support (currently accounting for approximately 20% of WYSO's annual budget).

In planning to deal with the changing media environment, WYSO has had to make some very difficult and painful decisions to remain a vibrant service to the Miami Valley. The station simply could not continue to try to serve as many constituencies as it was attempting to serve. One of the overarching questions was: In the near future, will the average listener continue to make an appointment every week to hear a particular type of niche programming when XM or Sirius is offering not one, but several, streams of this or that genre, around-the-clock.

Regardless of the impact of new technologies/competitors, it is also important to include in the strategic dynamic that long-term analysis of Arbitron research bore out very clear and consistent trends. The station was not commanding the numbers or loyalty of listeners as most other public radio stations, particularly those primary NPR affiliates in similar mid-sized markets similar to Dayton. These established public radio stations consistently attract as many as two or even four times the audience of WYSO.

In an age of exponentially increasing choices being made available to the public, few listeners will accept anything less than well-produced programming. If standards of presentation do not meet these expectations, listeners will go other places in the blink of an eye. WYSO's limited programming changes are intended to grow the station's audience and revenues so that, eventually, WYSO will have the significant capital necessary to produce more local programming with the consistent appeal and production values to which public radio listeners tend to respond.

WYSO is now working to break out of a double-bind situation. The station cannot attract the revenue necessary to produce the type of local/regional programming that will allow WYSO to intensely serve its market if it cannot grow its audience significantly. It cannot grow its audience significantly by trying to serve as many niche constituencies as it has been. It cannot grow its audience without making some significant changes. Something had to give. And, yes, programming which was not performing well needed to be replaced by consistent programming that will perform.

All of these factors and considerations had to be understood in the context of public radio's current place in the United States. Every day, some 25 million Americans are listening to public radio. While it continues to be unique and, therefore, in marked contrast to all other media choices, it is also, paradoxically, no longer a marginal or subsidiary service. For huge numbers of listeners, public radio is the primary, if not the sole, source of news and information. It is also a significant source for arts, culture, and entertainment programming.

In fact, in the last 15-20 years, the aggregate number of Americans using radio has been on a slow and steady decline (a phenomenon accelerated in the years since the 1996 Telecommunications Act, which paved the way for massive media ownership consolidations). However, when one divides public radio out of this equation, the decline in commercial radio listenership has been profound, while the audience for public radio has been rapidly increasing (within the last 12 years, the total audience for public radio has more than doubled).

This is certainly due to the fact that, in many U.S. radio markets, it is now common for two megacorporations (e.g., Clear Channel) to own most commercial radio frequencies. This has created a situation where radio formats have narrowed and listeners have decided to look for alternatives. On September 11th, 2001, after two decades of deregulation, most commercial radio stations (which had long ago abandoned news departments or any commitment to any semblance of local service) had nothing to offer their listeners except maybe the audio feeds from CNN or ABC television. Millions of citizens throughout a shocked nation began to hit the scan buttons on their radios. Many found themselves listening to public radio for the first time in their lives. Hard as it may be for some to believe, many of these individuals did not even know that public radio existed. In the months since the attacks, millions have stayed tuned. In most American radio markets, public radio stations are just about the only broadcast services left providing a serious and significant amount of local/regional news coverage.

WYSO and other public radio stations are, at once, a distinctive, substantive broadcast service that is different from all other broadcast competitors and a primary media source for a significant percentage of listeners. Accordingly, public radio's mission has shifted. With this shift comes new responsibilities to serve the American public with the type of depth, scope, substance, and sensitivity once found in commercial media choices.

In 2002-03, WYSO will add another signature, full-time air personality to one of its core dayparts (midday mornings) and complete construction of the WYSO Performance Studio. These will represent major growth opportunities for the station to provide more consistent, engaging, localized broadcast services to WYSO's expanding base of regular listeners.

Highlights of the past fiscal year include:

- WYSO Public Radio began 2001-02 having submitted its fourth consecutive balanced budget.

- WYSO's Fall 2001 On-Air Membership Campaign established an overall fundraising goal of $150,000. It was a multi-record breaking event. The station shared in the positive response experienced by most other public radio stations nationwide from listeners grateful for the coverage provided on 9/11 and in the days and weeks following (the sole exceptions being many of those stations with all music formats). Within 24 hours of commencing the on-air campaign, WYSO decided to revise upwards all of its hourly goals and exceeded even those for the best fundraising week (actually 8 and a half days) in station history. By the close of the on-air drive, the campaign tally stood at $160,845. The station secured over 500 new members. Other specifics include:

  Total on-air goal for this drive: $75,000
  Total number of on-air pledges: 1,094
  Total on-air dollars pledged: $111,921
  Average pledge: $102.30 (on air)
  Challenge dollars: $2,750
  Total web dollars pledged: $13,070
  Number of web pledges: 117
  Average web pledge: $111.54

- A separate revenue stream WYSO receives comes from funds pledged each fall campaign period by federal employees via the Combined Federal Campaign (CFC). The quantity of CFC-pledged funds is neither known nor available until the following February or March. CFC funds pledged during the Fall 2001 campaign totaled over $42.000.

- The Spring 2002 On-Air Membership Campaign was certainly challenging, as it took place approximately six weeks after the station announced changes to its broadcast schedule. The campaign established an ambitious overall fundraising goal of $150,000 (based on the post 9/11 successes, this goal was set $30,000 higher than for the same period a year previous). At this writing, the station has secured almost $118,000 for the Spring

2002 campaign season. The first of two, post on-air campaign membership renewal mail drops is already out. Lapsed members will receive telemarketing calls for membership renewal. As usual in the past few years, an end-of-fiscal year additional gift mailing will also go out. As well, WYSO will conduct and end-of-fiscal year on-air campaign of 3-4 days length. These measures will help the station achieve or surpass its Spring 2002 goals. A side-by-side comparison of WYSO's Spring 2002 and Spring 2001 campaign figures does evidence some very positive trends, as well as others which would appear to have some connection to the downturn in the economy and a hesitancy on the part of some listeners regarding station schedule changes:

	Spring 2001	Spring 2002
Total on-air	$75,694	$77,737
Pledges	889	799
Avg. Pledge	$85	$97
Billed	416	289
Credit card	470	479
New	366	370
New	$26,932	$32,381
Avg.	$74	$88
Mail	$38,772	$33,072
Avg.	$80	$84
Pledges	485	392
Web	$10,923	$5,392
Pledges	97	44

- Regarding business underwriting of WYSO and its programming, the goal for the current fiscal year is $220,000. At this writing, the station has secured signed contracts totaling $187,427.26 (85% of goal). Though it is unlikely the goal will be reached before the close of the fiscal year, the station's dramatic increase in audience is very likely to show significant growth in underwriting into 2002-03.

- WYSO is aggressively exploring opportunities to obtain specific operating grants support to fund capacity building and infrastructure growth.

- WYSO received two Ohio Educational Telecommunications (OET) Awards for 2001. These awards were for a feature piece produced for the station's newsmagazine, WYSO's SOUNDS LOCAL, called "Dayton Desegregation." It garnered the 2001 OET Award in the News & Public Affairs, Division B, category, and was also selected as Program of the Year. In addition, WYSO News Director Aileen LeBlanc was selected as OET Producer of the Year.
- Ms. LeBlanc and MORNING EDITION Host/Reporter Ryan Warner file news items regularly with NPR's hourly newscast unit and with PRI's business news program, MARKETPLACE. Ms. LeBlanc continues to produce feature stories for NPR's premiere newsmagazines MORNING EDITION, ALL THINGS CONSIDERED, and WEEKEND EDITION.

WYSO Public Radio faces a number of opportunities and challenges in the coming fiscal year. Among these are:

- WYSO management, in collaboration with the WYSO Resource Board, will commence a major strategic planning initiative to take place during the coming fiscal year. In 2001-02, the station released an RFP to facilitators and planners experienced in assisting public radio businesses in achieving their full potentials. A board committee helped draft the RFP, reviewed submitted proposals, and along with management, selected Loretta M. Hobbs, President, O'Neal-Hobbs Associates of Washington, DC. Foundation grant funding support will be requested for this major initiative.

- WYSO hopes to secure grants support to automate several functions in its master control/on-air operations, including program logs, music playlists, and music cataloguing/tracking/retrieval.

- To better serve its expanding Miami Valley audience, WYSO will need to establish a separate set of broadcast telephone lines, specifically dedicated to conducting interviews, listener call-ins, etc.

- Progress continues to be made in bringing all staff members' compensation to, at least, parity with the median for similar positions at similarly sized stations within the public radio system. Unfortunately, due to the nature of the station's revenue flow in 2001-02, salaries and compensation for 2002-03 will be somewhat more modest than in recent past years.

- The State of Ohio continues to face a budget crisis. The annual operating subsidy that WYSO receives from the Ohio Educational Telecommunications Network Commission (OETNC) was cut by 6%.
- Media and telecommunications convergence is constantly placing new demands upon and creating new paradigms for traditional, terrestrial broadcasters. To remain competitive, WYSO must continue to devote more time and resources toward the development of, among other things, its website and the services provided therein. Of special concern is how the station can generate revenues necessary to support these services.

II. THE 2002-03 BUDGET

WYSO's gift revenues are not likely to achieve budgeted goals for the current fiscal year. This is the first time in four years that the station anticipates a deficit. Although federal grants support from the CPB increased appreciably in 2001-02, economic downturn (modestly affecting listener support, while having a greater impact on underwriting buys), declining grant support from OETNC, and the diversions caused by restructuring of the station's schedule will almost assuredly leave the station in the red by year's end.

Despite this, significant audience growth and major improvements to WYSO's programming and internal operations are equally likely to establish the foundation for the station to return to its recent record of balanced budgeting. Management will do all it can to turn in a surplus by the close of 2002-03 equal to or exceeding the amount of any deficit that results at the close of the current fiscal year.

For the coming fiscal year, WYSO has budgeted major revenue streams producing as follows:

Gifts (listener support)	$ 415,000
Federal Grants (CPB)	120,294
State Grants (OETNC)	50,000
Underwriting	234,025
Other Income	40,000
TOTAL	**$859,319**

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

While WYSO now has a back-up transmitter to assure some continuity to its service when the primary transmitter fails, the back-up unit operates at a lower power output than the main transmitter. Therefore, WYSO still does not have a full redundant transmission infrastructure. In addition, the main transmitter continues to evidence itself as a somewhat quirky and a less-than-robust unit. The transmission plant also needs a generator or UPS (uninterrupted power supply) unit to assure continuation of the broadcast service in the event of power fluctuations and/or service disruptions.

I believe that a major capital campaign will need to be organized and conducted within the next two 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, and the asset that is, WYSO. I remain 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 thereby providing further protection of, and stability within, the station.

Steve Spencer
General Manager

WYSO

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues											
Tuition & Fees	0	0	0	0	0		*0*	0		0	
Less Tuition Discounts	0	0	0	0	0		*0*	0		0	
Gifts	360,549	330,000	409,356	472,104	62,748	15.33%	*415,000*	-57,104	-12.10%	5,644	1.38%
Lead Gifts		0	0	0	0		*0*	0		0	
Grants	139,533	138,860	173,278	180,223	6,945	4.01%	*170,294*	-9,929	-5.51%	-2,984	-1.72%
Endowment Income	0	0	0	0	0		*0*	0		0	
Contracts	0	0	0	0	0		*0*	0		0	
Other Income	227,474	205,864	257,750	200,487	-57,263	-22.22%	*274,025*	73,538	36.68%	16,275	6.31%
Total E&G Revenue	727,556	674,724	840,384	852,814	12,430	1.48%	*859,319*	6,505	0.76%	18,935	2.25%
Auxiliary Enterprises	124	0	500	260	-240	-48.00%	*500*	240	92.31%	500	
Released From Restrictions	17,286	0	0	0	0		*0*	0		0	
Total Revenues	744,966	674,724	840,884	853,074	12,190	1.45%	*859,819*	6,745	0.79%	18,935	2.25%
Operating Expenses											
Instruction	0	0	0	0	0			0		0	
Research	0	0	0	0	0			0		0	
Public Service	686,757	644,676	806,038	865,585	59,547	7.39%	*853,240*	-12,345	-1.43%	47,202	5.86%
Academic Support	0	0	0	0	0			0		0	
Student Services	0	0	0	0	0			0		0	
Institutional Support	0	0	0	0	0			0		0	
Plant Maintenance	0	0	0	0	0			0		0	
Scholarships	0	0	0	0	0			0		0	
Total E&G Expenses	686,757	644,676	806,038	866,464	60,426	7.50%	*853,240*	-13,224	-1.53%	47,202	5.86%
Auxiliary Enterprises	0	0	0	0	0			0		0	
Total Operating Expenses	686,757	644,676	806,038	866,464	60,426	7.50%	*853,240*	-13,224	-1.53%	47,202	5.86%
Excess Revenue over Expenses	58,209	30,048	34,846	-13,390	-48,236	-138.43%	*6,579*	19,969	-149.13%	-28,267	-81.12%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	78,614	16,500	18,678	6,491	-12,187	-65.25%	*21,846*	15,355	236.56%	3,168	16.96%
Borrowing Proceeds	-40,876	0	0	0	0		*0*	0		0	
Principal Payments	17,861	13,548	15,168	15,168	0	0.00%	*15,168*	0	0.00%	0	0.00%
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	0	0	-30,000	-30,836	-836	-2.79%	*-30,435*	401		-435	1.45%
Total Cash Items	55,599	30,048	3,846	-9,177	-13,023	-338.61%	*6,579*	15,756	-171.69%	2,733	71.06%
Net Cash Basis Budget	2,610	0	31,000	-4,213	-35,213	-113.59%	*0*	4,213	-100.00%	-31,000	-100.00%

WYSO
2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues	744,966	674,724	840,884	853,074	12,190	1.45%	859,819	6,745	0.79%	18,935	2.25%
Operating Expenses											
Salaries & Wages	226,391	235,710	278,671	323,743	45,072	16.17%	301,877	-21,866	-6.75%	23,206	8.33%
Benefits	66,363	70,157	83,177	101,480	18,303	22.00%	105,272	3,792	3.74%	22,095	26.56%
Training & Development	10,005	20,530	26,935	19,419	-7,516	-27.90%	28,277	8,858	45.62%	1,342	4.98%
Student Aid Services	0	0	0	0	0		0	0		0	
Special Events	0	0	500	0	0		500	500		500	
Supplies	21,046	9,595	12,095	11,659	-436	-3.60%	14,345	2,686	23.04%	2,250	18.60%
Business Operations	242,956	234,462	301,491	318,282	16,791	5.57%	311,865	-6,417	-2.02%	10,374	3.44%
Plant Maintenance	37,783	48,200	62,556	51,856	-10,700	-17.10%	49,369	-2,487	-4.80%	-13,187	-21.08%
Interest Expense	14,232	12,520	9,113	7,905	-1,208	-13.26%	8,800	895	11.32%	-313	-3.43%
Resale Costs	0	0	0	0	0		0	0		0	
Miscellaneous	57,110	2,502	1,500	1,284	-216	-14.40%	2,500	1,216	94.70%	1,000	66.67%
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 from 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)	10,871	11,000	0	0	0		0	0		0	
Depreciation	0	0	30,000	30,836	836	2.79%	30,435	-401		30,435	
Total Operating Expenses	686,757	644,676	806,038	866,464	60,426	7.50%	853,240	-13,224	-1.53%	47,202	5.86%
Excess Revenue over Expenses	58,209	30,048	34,846	-13,390	-48,236	-138.43%	6,579	19,969	-149.13%	-28,267	-81.12%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	78,614	16,500	18,678	6,491	-12,187	-65.25%	21,846	15,355	236.56%	3,168	16.96%
Borrowing Proceeds	-40,876	0	0	0	0		0	0		0	
Principal Payments	17,861	13,548	15,168	15,168	0	0.00%	15,168	0	0.00%	0	0.00%
Prior Year Reserves	0	0	0	0	0		0	0		0	
Add back Depreciation	0	0	-30,000	-30,836	-836	-2.79%	-30,435	401		-435	1.45%
Total Cash Items	55,599	30,048	3,846	-9,177	-13,023	-338.61%	6,579	15,756	-171.69%	2,733	71.06%
Net Cash Basis Budget	2,610	0	31,000	-4,213	-35,213	-113.59%	0	4,213	-100.00%	-31,000	-100.00%

WYSO

2002-03 Capital Budget

Buildings	**Amount**
Total Buildings	0
Building Improvements	**Amount**
WYSO Wing Renovations	3,500
Total Building Improvements	3,500
Equipment	**Amount**
Computer Equipment	18,346
Total Equipment	18,346
Furniture & Fixtures	**Amount**
Total Furniture & Fixtures	0
Library Books	
Grand Total Capital Budget	**21,846**
	========

University Wide

2002-03 Budget Summary by Function

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues											
Tuition & Fees	0	70	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	
Lead Gifts		0	0	0	0		*0*	0		0	
Grants	123,985	123,194	125,000	124,402	-598	-0.48%	*125,000*	598	0.48%	0	0.00%
Endowment Income	-110,320	-114,418	134,766	-162,856	-297,622	-220.84%	*176,920*	339,776	208.64%	42,154	31.28%
Contracts	0	0	0	0	0		*0*	0		0	
Other Income	1,768,677	621,923	220,700	-65,476	-286,176	-129.67%	*182,000*	247,476	377.96%	-38,700	-17.54%
Total E&G Revenue	1,782,342	630,769	480,466	-103,930	-584,396	-121.63%	*483,920*	587,850	565.62%	3,454	0.72%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Released From Restrictions	442,916	553,336	589,600	675,350	85,750	14.54%	*553,711*	-121,639	-18.01%	-35,889	-6.09%
Total Revenues	2,225,258	1,184,105	1,070,066	571,420	-498,646	-46.60%	*1,037,631*	466,211	81.59%	-32,435	-3.03%
Net Overhead for Central Operations	587,060	617,131	1,250,585	1,371,368	120,783	9.66%	*1,136,090*	-235,278	-17.16%	-114,495	-9.16%
Operating Expenses											
Instruction	-78,538	-29,853	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	268,219	405,714	321,155	300,666	-20,489	-6.38%	*59,765*	-240,901	-80.12%	-261,390	-81.39%
Student Services	0	0	0	0	0		*0*	0		0	
Institutional Support	406,321	368,325	1,608,385	1,786,669	178,284	11.08%	*1,766,811*	-19,858	-1.11%	158,426	9.85%
Plant Maintenance	2,785,307	2,920,157	267,890	267,890	0	0.00%	*222,145*	-45,745	-17.08%	-45,745	-17.08%
Scholarships	124,115	123,194	125,000	124,402	-598	-0.48%	*125,000*	598	0.48%	0	0.00%
Total E&G Expenses	3,505,424	3,787,537	2,322,430	2,479,627	157,197	6.77%	*2,173,721*	-305,906	-12.34%	-148,709	-6.40%
Auxiliary Enterprises	0	0	0	0	0		*0*	0		0	
Total Operating Expenses	3,505,424	3,787,537	2,322,430	2,479,627	157,197	6.77%	*2,173,721*	-305,906	-12.34%	-148,709	-6.40%
Excess Revenue over Expenses	-693,106	-1,986,301	-1,779	-536,839	-535,060	-30076.45%	*0*	536,839	100.00%	1,779	100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	47,866	24,987	0	10,000	10,000		*80,000*	70,000	700.00%	80,000	
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	55,425	84,124	124,118	124,127	9	0.01%	*124,118*	-9	-0.01%	0	0.00%
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	-2,785,307	-2,920,157	-267,890	-267,890	0	0.00%	*-222,145*	45,745	17.08%	45,745	17.08%
Total Cash Items	-2,682,016	-2,811,046	-143,772	-133,763	10,009	6.96%	*-18,027*	115,736	86.52%	125,745	87.46%
Net Cash Basis Budget	1,988,910	824,745	141,993	-403,076	-545,069	-383.87%	*18,027*	421,103	104.47%	-123,966	-87.30%

University Wide

2002-03 Budget Summary by Category

	1999-00 Actual	2000-01 Actual	2001-02 Adj Budget	2001-02 Projected	Change From 2001-02 Budget to 2001-02 Projected $	Change From 2001-02 Budget to 2001-02 Projected %	Proposed 2002-03 Budget	Change From 2001-02 Projected to 2002-03 Budget $	Change From 2001-02 Projected to 2002-03 Budget %	Change From 2001-02 Budget to 2002-03 Budget $	Change From 2001-02 Budget to 2002-03 Budget %
Revenues	2,812,318	1,801,236	2,320,651	1,942,788	-377,863	-16.28%	*2,173,721*	230,933	11.89%	-146,930	-6.33%
Operating Expenses											
Salaries & Wages	235,081	350,255	334,170	376,218	42,048	12.58%	*277,190*	-99,028	-26.32%	-56,980	-17.05%
Benefits	162,368	142,157	138,066	101,448	-36,618	-26.52%	*124,515*	23,067	22.74%	-13,551	-9.81%
Training & Development	61,144	129,587	165,823	119,989	-45,834	-27.64%	*167,072*	47,083	39.24%	1,249	0.75%
Student Aid Services	0	0	0	0	0		*0*	0		0	
Special Events	0	0	0	0	0		*0*	0		0	
Supplies	6,122	16,278	5,552	7,423	1,871	33.70%	*3,017*	-4,406	-59.36%	-2,535	-45.66%
Business Operations	359,433	429,102	356,612	495,587	138,975	38.97%	*419,080*	-76,507	-15.44%	62,468	17.52%
Plant Maintenance	72,451	77,003	77,870	62,930	-14,940	-19.19%	*5,474*	-57,456	-91.30%	-72,396	-92.97%
Interest Expense	110,766	119,926	94,877	188,011	93,134	98.16%	*99,648*	-88,363	-47.00%	4,771	5.03%
Resale Costs	0	0	0	0	0		*0*	0		0	
Miscellaneous	701	5,569	4,420	31,648	27,228	616.02%	*4,029*	-27,619	-87.27%	-391	-8.85%
Contingency/Reserves											
Campus Contingency, Mandatory	0	0	0	0	0		*0*	0		0	
Campus Contingency, Discretionary	0	-50,000	2,150	0	-2,150	-100.00%	*0*	0		-2,150	-100.00%
Liquidity Reserve	-466,275	-490,031	0	0	0		*0*	0		0	
Overhead											
To the University	0	0	0	0	0		*61,894*	61,894		61,894	
Rebates from 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	750,000	750,000	0	0.00%	*600,000*	-150,000	-20.00%	-150,000	-20.00%
Other (Intercampus Agree & Univ Conf)	178,326	137,534	125,000	78,483	-46,517	-37.21%	*189,657*	111,174	141.65%	64,657	51.73%
Depreciation	2,785,307	2,920,157	267,890	267,890	0	0.00%	*222,145*	-45,745	-17.08%	-45,745	-17.08%
Total Operating Expenses	3,505,424	3,787,537	2,322,430	2,479,627	157,197	6.77%	*2,173,721*	-305,906	-12.34%	-148,709	-6.40%
Excess Revenue over Expenses	-693,106	-1,986,301	-1,779	-536,839	-535,060	-30076.45%	*0*	536,839	100.00%	1,779	100.00%
Annual Budget Conversion to Cash Basis											
Capital Expenditures	47,866	24,987	0	10,000	10,000		*80,000*	70,000	700.00%	80,000	
Borrowing Proceeds	0	0	0	0	0		*0*	0		0	
Principal Payments	55,425	84,124	124,118	124,127	9	0.01%	*124,118*	-9	-0.01%	0	0.00%
Prior Year Reserves	0	0	0	0	0		*0*	0		0	
Add back Depreciation	-2,785,307	-2,920,157	-267,890	-267,890	0	0.00%	*-222,145*	45,745	17.08%	45,745	17.08%
Total Cash Items	-2,682,016	-2,811,046	-143,772	-133,763	10,009	6.96%	*-18,027*	115,736	86.52%	125,745	87.46%
Net Cash Basis Budget	1,988,910	824,745	141,993	-403,076	-545,069	-383.87%	*18,027*	421,103	104.47%	-123,966	-87.30%

UNIVERSITY-WIDE
2002-03 Capital Budget

Land

Buildings	**Amount**
Total Buildings	0

Building Improvements	**Amount**
Remodel Shared HR Space - Kettering	40,000
Total Building Improvements	40,000

Equipment	**Amount**
H323 Video Conferencing System	20,000
Datatel Backup Server	10,000
Workstation Replacements	10,000
Total Equipment	40,000

Furniture & Fixtures	**Amount**
Total Furniture & Fixtures	0

Vehicles

Library Books	**Amount**

Grand Total Capital Budget	**80,000**
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COST CENTERS

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

<u>INSTRUCTION (Cont'd)</u>:
Conflict Resolution
Environment & Community
Fine Arts
PhD in Leadership & Change

<u>RESEARCH</u>:
Individual and Project Research

<u>PUBLIC SERVICE</u>:
Glen Helen
Antioch Review
WYSO
Counseling Centers

<u>ACADEMIC SUPPORT</u>:
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

<u>STUDENT SERVICES</u>:
Financial Aid Administration
Student Admissions
Registrar (Student Records)
Student Services
Advocate's Office
Infirmary
Counseling

<u>STUDENT SERVICES Cont'd</u>:
Security
Student Loan Office
Community Government

<u>INSTITUTIONAL SUPPORT</u>:
Chancellor
Trustees
Provost/President
Fiscal Operations
Business Operations
General Administration
Central Services
Personnel
Alumni
Development/Advancement
Public Relations
Publications
Administrative Computer Service
University Administration

<u>PLANT MAINTENANCE</u>:
Maintenance
Custodial
Building & Grounds
Power Plant
Depreciation

<u>SCHOLARSHIPS</u>:
Grants & Scholarship

<u>AUXILIARY ENTERPRISES</u>:
Dining Services/ Gathering Space
Housing/Bookstore
Computer Sales
McGregor Conference Center

LINE ITEMS

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

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

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

STUDENT AID:
Restricted Grant Scholarships
Student Vouchers

SPECIAL EVENTS:
Graduation
Orientation
Miscellaneous Special Events

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

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

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

DEPRECIATION:

INTEREST EXPENSE:
Interest
Bank Charges (include credit card charges)

RESALE COSTS:
Books for Resale
Computers for Resale
Supplies for Resale

MISCELLANEOUS COSTS:
Miscellaneous
Student Activities
Student Insurance
Payments to Annuitants

CONTINGENCY/RESERVES:
Campus Contingency, Mandated
Campus Contingency, Discretionary
Liquidity Reserve

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