ANTIOCH UNIVERSITY

REPORT TO THE BOARD OF TRUSTEES

2002-03 Year End Financial Statements
2003-04 First Quarter Performance

October 23-25, 2003

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REPORT TO THE BOARD OF TRUSTEES
OCTOBER 23-25, 2003

I. INTRODUCTION

The first section of this report contains financial information concerning the performance of the University, its campuses and associated units during 2002-03. The second section contains financial information on how the University and its components have performed in the first quarter of the 2003-04 fiscal year. The Datatel Management System and the cooperation of Campus personnel are necessary to enable us to present the full first quarter of information shortly after the close of the period.

The information contained 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 reporting standard is to enhance the relevance, clarity and comparability of financial statements issued by not-for-profit organizations, regardless of the nature of their operation or mission. The information on the 2002-03 fiscal year expands and supplements the material presented in the draft Audited Financial Statements prepared by Ernst & Young LLP. The material presented in this document provides a more detailed view of the 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 the 2002-03 Year-End Budget Performance Section on page 7 and then read the summary of the 2003-04 First Quarter Performance on page 75.

II. FORMAT AND CONTENT

The 2002-03 Year-End Financial Review section and the 2003-04 First Quarter Performance section contain summary schedules for the entire University and similar schedules for each campus, the University Administration, Glen Helen, WYSO Radio, the Antioch Review, the Ph.D. in Leadership and Change, and University Wide accounts. Each campus and operating unit has prepared narrative descriptions of the significant events that caused the unit to deviate from its budget. The purpose of the narrative is to provide an overview of how each Campus performed during the prior fiscal year and how well it is managing during the first quarter of the current year. The narratives also provide an opportunity for the President or unit manager to describe the problems he or she has dealt with during the previous year and the opportunities that are being exploited during the current fiscal year.

Revisions to the 2003-04 Operating Budget may be necessary, particularly for the College and New England. All campuses may need to adjust their planned capital expenditures. Under Board of Trustee policy, Trustee approval is required for any non-personnel expenditure of more than $25,000. The Capital Budget that was presented to the Board at the June meeting contains plans for capital expenditures, but during the first quarter of the fiscal year, some Campuses have identified changed conditions as well as unanticipated needs that require changes to their capital improvement plans. In some cases, a campus may need to acquire additional equipment, particularly technology, while in other cases repairs or improvements to the physical plant may be needed.

III. THE FUNCTION SCHEDULE

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

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 dining services, housing, bookstore, and similar "businesses".

An additional Revenues item that appears below the Total E&G Revenue totals is Released from Restrictions. The amounts on this line reflect funds that were initially received by the University or Campuses for specific purposes and held until they could be spent to further the specific purpose. Most of this money represents gifts or bequests that have been provided for such things as scholarships or specific program initiatives. Much of the funding of this type is expended in the year it is received, but Restricted Funds are often held for several years until they can be expended in accordance with the conditions set out by the donor. For example, scholarship funds that provide for students with certain types of abilities or needs will not be expended until such students can be identified. Restricted Funds do not become part of the Operating Budget until released. Prior to being transferred to the Operating Budget, Restricted Funds are carried in the accounts of the University and invested in accordance with University policy. Neither the administration or the Board of trustees can impose restrictions on unrestricted funds; only donors can create restricted funds.

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, or, as they are received: the Accounting Offices report gifts on an accrual basis, or, when they are received <u>or</u> first pledged. Pledges are commitments that will be realized at a future date and are not expendable until the funds are actually received. Funds that are given for a restricted purpose are invested until they can be expended for the purpose specified by the donor. Several years may pass before a campus can expend a restricted gift as the donor intended, but the restricted gift is recorded by the Development Office when it is received. The financial schedules contained in this report do not reflect restricted revenue until it is expended, and then it is reported on the Released from Restrictions line and not the Gifts line. Therefore, reports from the Development Office may show higher or lower giving levels than will appear on these schedules.

Temporarily Restricted Funds should not be confused with Endowment Funds. Endowment Funds are also separated from unrestricted revenues and are also limited to specific purposes as provided by their donor. The primary difference is that the principal of Endowment Funds must be retained in perpetuity and only the annual income can be expended to satisfy the purpose of the donor. On the other hand, the principal amount of a restricted gift can be used as soon as a valid purpose has been identified. Income from the Endowment Funds appear as a Revenue Item on the Endowment Income line. Separate lines report Realized and Unrealized Gains or Losses on the endowment and other investments.

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

The Operating Expenses section of the Function schedule provides financial information for each of the primary activities or programs. Each operating department of the University is classified in accordance with its primary function. For example, the Languages Department of the College is classified as Instruction and all of its expenditures will be combined with those of other teaching departments and reported on the Instruction line of the Function schedules. A list of the Cost Centers that comprise each of the Functions is presented on page 132.

In the first section of this Report, the columns of the Summary by Function schedules present information about the actual activity of the two prior years, the budget for 2002-03 and the actual experience for 2002-03. The last four columns provide comparisons of the 2002-03 actual experience with the budget for that year and a comparison of how the 2002-03 actuals compare with the actuals from 2001-02. The dollar variance is given for these comparisons and a percentage of variance is also provided. Similar information is provided in the second section of this Report, but the data and comparisons are for the first quarter of the fiscal year. A subtotal is provided to combine Tuition & Fees with Tuition Discounts. This subtotal, Net Tuition, shows what is available to cover expenses.

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 a Conversion to Cash Basis section that 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 expenditures 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 Principle 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". Prior to 2003-04, when a campus ended the year with an operating surplus, this sum was recorded and carried forward on the books. If the University had sufficient surplus cash at year-end, the surplus was funded and invested in an interest bearing account for the benefit of that campus. If there was not sufficient cash to cover the surplus, the uncovered portion became a credit to the unfunded reserve. Campuses may propose the use of their Funded Prior Year Reserves in the annual budget, or they may request the Chancellor's permission to use Funded Reserves to meet unexpected expenses during the year. After 2001-02, campus surpluses, to the extent possible, are being used to fund unused depreciation.

IV. THE CATEGORY SCHEDULE

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

Operating Expenses from the Function schedule are presented by category (e.g., Salaries & Wages, Benefits, Supplies). These categories show how expenditures have been made by the kinds of goods and services purchased. The components of each of the Expense categories is listed in detail on page 133.

A section of these schedules shows the Contingency/Reserves that the Campuses are required or encouraged to budget. The "Campus Contingency, Mandatory" amount is budgeted at 1% of net student-derived revenue and this sum cannot be transferred to another campus without the approval of the Campus President. With the approval of the Chancellor, these funds may be used during the year in order to meet unexpected expenses or to offset lower than anticipated revenues. Campuses that are meeting their revenue targets may also request release of these funds to pay for special capital improvements that they might not otherwise have been able to make. These requests can be honored only when the University as a whole is performing well.

The "Campus Program Contingency, Discretionary" is a reserve amount determined by the individual campus. Depending on the volatility of its programs, a campus may elect to hold an additional sum above the Mandatory amount to offset possible revenue fluctuations. The amount of this Reserve is determined by the Campus, and the Campus determines when this Revenue should be released for expenditure. Not all Campuses elect to place funds in this Reserve.

Prior to 2001-02, the Liquidity Reserve was equal to 1.25% (1.5% for Seattle) of the net tuition and fee revenue of each Campus. No new funds are being collected and the amounts already in the Liquidity Reserve Fund are not available for expenditure for any purpose. The amounts in the Liquidity Reserve are held in a University-wide account. At the end of 2001-02, the sixth year in which the Liquidity Reserve was in operation, the University account contained $2,166,165.

This sum is identified with each campus through a series of sub-accounts and has been invested in accordance with University policy. Earned interest is annually credited to the campuses on the Realized Gains line. A schedule showing the Funded and Unfunded Reserves, Depreciation Reserves and the Liquidity Reserves balance for each of the Campuses is on page 74.

The Overhead section of the Summary by Category schedule 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. Net student revenue excludes tuition generated by new programs less than two years in operation, tuition discounts and waivers, and uncollectable tuition and fees. From the overhead, Rebates from the University were transferred to the individual campuses as Subsidy from Overhead. Campuses that received Rebates and Subsidies show negative amounts on these lines because the transfer is 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 represent only the reassignment of revenue from one campus to another. The effect of the Rebates was to significantly lower the true overhead rate paid by the Campuses. In 2002-03, only the College received an operating subsidy.

Beginning in 2001-02, the complex array of subsidies was eliminated and the Overhead calculation was changed to a proration of a set amount determined to cover the costs of central operations and any subsidy to the College. The proration of the Overhead charge to the non-residential campuses and the Ph.D. program uses a three-year average of the operating revenues.

Depreciation is a major expense for the University. Prior to 2001-02, it was carried centrally, but now it is allocated to each operating unit based on the value of the scheduled equipment and facilities. Both the Depreciation Expense and the Add Back Depreciation entries for years prior to 2001-02 appear in the University Wide Expenses section on pages 72 and 73.

The columns for 2002-03 and for the first quarter of 2003-04 on the Category schedules are identical to those on the Function schedules.

2002-03 YEAR-END BUDGET REPORT

In many ways, 2002-03 represents a significant improvement over 2001-02, but because 2001-02 produced the largest accrual deficit in Antioch history, the improvement is not cause for major celebration. As in 2001-02, investment losses in the endowment had a significant impact on the financial position of the University, although the loss was smaller in 2002-03. The deficit at the College was smaller than in 2001-02 but still large enough to offset the positive results of the other campuses.

The following table shows the year-end history of the University for the past six years.

Accrual Balance History

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
Antioch College	1,540,075	941,814	390,707	-571,496	-1,625,466	-1,292,930
Glen Helen	-8,835	-87,387	6,561	40,359	143,688	20,096
New England	254,358	535,726	205,709	254,463	50,255	181,632
Seattle	284,658	276,779	553,972	433,425	193,158	123,783
Southern California	-310,044	49,295	22,697	130,294	727,170	554,806
McGregor	145,543	-53,324	-170,730	12,592	491	397,884
Ph.D. Leadership					899	28,099
University Administration	56,261	46,961	109,798	54,112	7,196	22,849
WYSO Radio	29,708	32,848	58,209	52,025	-89,705	-129,489
University Wide	-1,164,527	-1,242,603	-693,106	-1,986,301	-2,318,429	-1,604,095
Antioch Review	207	0	-962	-7,708	-27,400	-38,189
TOTALS	**$827,404**	**$500,109**	**$482,855**	**-$1,588,235**	**-$2,938,143**	**-$1,735,554**

This table indicates that the University had positive accrual balances during the first half of this period and then experienced sharp losses in the last three years. Major factors contributing to the overall losses were deficits at the College that first appeared in 2000-01 and the losses in University Wide which appear in each of the six years. It should be kept in mind, however, that until 2001-02, all of the depreciation for the entire University was budgeted in University Wide. Gains on the endowment, which are also budgeted in University Wide, offset much of the $2.9 million of annual depreciation expense during the 1990s. The University budgeted an overall accrual deficit with the expectation that it would be covered by a combination of Liquidity Reserve, Mandatory Contingency Reserve and gains on the endowment. Realized and unrealized gains were budgeted conservatively with the expectation that the actual amounts would be considerably larger. During most of the decade of the 1990s this expectation was fulfilled and the University as a whole generated positive cash and accrual balances. The following table shows the degree to which investments entered into the positive accrual balances in the period 1997-98 through 2000-01 as well as the significant negative impact in the most recent two years:

Realized and Unrealized Gains and Losses
Endowment and Other Investments

	1997-98 Actual	1998-99 Actual	1999-00 Actual	2000-01 Actual	2001-02 Actual	2002-03 Actual
Realized Gains/Losses	588,433	2,316,608	716,721	-220,093	-649,475	-2,442,814
Unrealized Gains/Losses	877,376	-1,642,173	730,529	620,736	-1,332,095	953,089
Totals	**$1,465,809**	**$674,435**	**$1,447,250**	**$400,643**	**-$1,985,370**	**-$1,489,725**

The FASB accounting standards that we use when reporting financial information require that we include realized and unrealized gains and losses on investments with regular operating revenue. Because most of our investments are in the endowment, gains are not actually available for immediate expenditure for operating costs, and losses remain within the endowment. Neither the gains or losses are the product of enrollment changes or other operating decisions. The inclusion of realized and unrealized gains and losses distorts the operating results of the University as a whole and may have contributed to a false sense of financial well being. If the investment gains and losses are removed from the accrual balances in each of the last six years, it becomes apparent that operating expenses have exceeded operating revenues in each of those years.

Accrual Balances Adjusted for Investment Gains and Losses

	1997-98 Actual	1998-99 Actual	1999-00 Actual	2000-01 Actual	2001-02 Actual	2002-03 Actual
Accrual Balances	827,404	500,109	482,855	-1,588,235	-2,938,143	-1,735,554
Gains and Losses	1,465,809	674,435	1,447,250	400,643	-1,981,370	-1,489,725
Adjusted Balances	-$638,405	-$174,326	-$964,395	-$1,988,878	-$956,773	-$245,829

For the six year period shown in the above table, the accrual balance for 2002-03 was the second highest of the period. However, after gains and losses are factored out, the actual operating loss is the smallest in the last four years and the second smallest of the six-year period. The 2002-03 investment loss was about double what we expected due to the write-down of the value of Vernay stock held in the endowment.

While there may be some comfort in the trend that has made the adjusted 2002-03 deficit smaller than each of the three preceding years, the sobering reality is that after adjustments for gains and losses, the University has had operating losses in each of the last six years.

Balancing the College budget, and as a consequence the University budget, requires significant gift and bequest revenue. The College's Annual Fund produced nearly $1.5 million for operating expenses in 2002-03. This increase of $44,233 (3.1%) did not contain any unrestricted bequests. As the following schedule shows, unrestricted bequests have played an important role in many of the recent budgets, but none were received in either of the last two years. It has become the policy not to budget for unrestricted bequests because they cannot be predicted. When they are received, they can be used to meet special needs or to cover one-time program enhancements or revenue short-falls.

UNRESTRICTED BEQUESTS RECEIVED
1995-96 through 2002-03

1995-96		1996-97		1997-98		1998-99	
Amount	Number	Amount	Number	Amount	Number	Amount	Number
$550,000	2	$125,000	1	$522,998	1	$112,368	2

1999-00		2000-01		2001-02		2002-03		Eight-Year
Amount	Number	Amount	Number	Amount	Number	Amount	Number	Average
$550,000	1	$639,612	4	$0	0	$0	0	$312,497

UNRESTRICTED STATEMENT OF ACTIVITIES

The Statement of Activities is most comparable to the Income Statement of a for-profit organization. The purpose of the Statement of Activities is to summarize unrestricted operations of the 2002-03 fiscal year. The full Statement of Activities for the entire University is contained in the Audited Financial Statements prepared by Ernst & Young. Their statement contains the unrestricted, temporarily restricted, and permanently restricted funds and thereby provides a complete picture of the entire "bottom-line." The schedule contained in this report focuses on Unrestricted Funds which constitute the operating revenues and expenses of the campuses and the University as a whole. By looking at the *increase* or *decrease in net assets* as shown on the Statement of Activities, it is possible to get a quick understanding of how well the University performed during the fiscal year.

In 2002-03, Net Assets decreased by -$1,735,554. This is a smaller reduction than the decrease of -$2,938,145 in 2001-02 but larger than the decrease of -$1,588,235 in 2000-01. In 2001-02 before depreciation was budgeted by each of the operating units, the University Wide account was negative due to the unfunded depreciation. Since that time, however, the account has been negative due to the Net Realized and Unrealized Gains and Losses on the Endowment and on other investments as well as the Investment Income on the Endowment. In 2002-03, the Investment Income on the Endowment line showed a loss of -$334,081 because the Endowment did not generate sufficient income to cover the budgeted spending allocations made to the College ($155,759), Glen Helen ($42,000) and the Antioch Review ($8,021).

The University Wide decrease in Net Assets at the end of 2002-03 shown on the Statement of Activities is due primarily to Net Realized Losses on the Endowment. Growth in the Endowment Fund makes changes in the fund's value an even greater influence on the growth or decline of the University's Net Assets.

STATEMENT OF FINANCIAL POSITION

The campus Statement of Financial Position presents information similar to what can be found on the balance sheet of a for-profit organization. The official Statement of Financial Position is contained in the Audited Financial Statements prepared by Ernst & Young, but that schedule does not provide detail for the individual campuses. The campus Statement of Financial Position contained in this report shows the Total Assets, Total Liabilities, and Total Liabilities and Net Assets for each of the campuses. Even though depreciation has been assigned to the individual campuses, receivables and investments are recorded on a University-wide basis which means that Total Assets and Total Liabilities and Net Assets balance only at the University level.

The Statement of Financial Position is a snapshot of the condition of the University as of June 30, 2003. However, it does provide insight into the financial status at the close of business for 2002-03, and when compared to the Statements from the prior years can be a useful indicator of the financial direction of the University. On June 30, 1998, the Total Liabilities and Net Assets of the University was $75,897,621. At June 30, 1999 this figure had slipped to $74,614,981. In 2000, Total Liabilities and Net Assets rebounded slightly to $78,671,311, but declined in 2000-01 to $77,347,993. The pattern reversed in 2001-02 when the indicator grew to $85,500,388, and to $86,453,481 in 2002-03.

UNRESTRICTED REVENUE

As the table below shows, in 2002-03, Educational and General (E&G) Revenue for the University as a whole was 3.1% below budget. Of the ten operating units shown in the table, three failed to reach their E&G Revenue target, but the most significant variance was in University Wide where the unrealized gains and losses on the endowment portfolio are recorded. University Wide is -$2,121, 225 below budget and this variance of 438.3% below budget accounts for the bulk of the total university negative variance from the budget.

Educational & General Revenue
2002-03 Year-End

	2001-02 Actual	2002-03 Budget	2002-03 Actual	Variance Budget to Actual	
Antioch College	13,570,206	12,770,944	12,037,844	-733,100	-5.74%
Glen Helen	277,357	266,217	279,601	13,384	5.03%
New England	10,639,135	10,934,901	11,465,701	530,800	4.85%
Seattle	9,375,274	10,414,115	9,911,678	-502,437	-4.28%
Southern California	11,059,842	11,752,325	12,128,690	376,365	6.62%
McGregor	5,183,489	5,688,293	6,326,688	638,395	11.22%
Ph.D. Leadership	94,200	592,750	678,013	85,263	14.38%
University Administration	13,769	10,000	13,478	3,478	34.78%
WYSO Public Radio	949,896	859,319	912,337	53,018	6.17%
University Wide	-1,901,541	483,920	-1,637,305	-2,121,225	-438.34%
Antioch Review	43,167	76,688	55,290	-21,398	-27.90%
TOTALS	$49,507,673	$53,849,472	$52,172,015	-$1,677,457	-3.12%

For the College and Seattle, the shortfall in E&G Revenue was a result of lower than anticipated Net Tuition and Fee Income. When Tuition and Fee Income fall below the budgeted level, it creates major disruptions for the campuses. Spending expectations created by the revenue projections contained in the budget result in hiring and spending decisions that are difficult to reverse once it is realized that revenue targets will not be met. Seattle was successful in increasing its other revenue sources and reducing its expenditures so that it was able to produce a surplus. Unfortunately, the College's plans to reduce spending as a means of bringing the budget into balance were ineffective.

Net Tuition Revenue was nearly 75% of total University revenue in 2002-03. Overly optimistic projections of Tuition and Fee Income have created problems for the campuses in recent years, but in 2002-03, collectively the actual Net Tuition and Fee Income was almost exactly the amount budgeted. The following table shows that Net Tuition and Fee Income was $158,032 (.34%) greater than budgeted, but it also shows that the College projected $773,306 (8.0%) more than it realized, while McGregor exceeded its projection by $557,740 (10.0%). Seattle was under budget by -$506,051 (-5.2%) while Southern California was up $429,310 (3.8%) as was New England $426,146 (4.6%). The shortfall for the College resulted in actual Net Tuition and Fees falling $721,272 (7.5%) below the actual level of the prior year. Despite a tuition increase, the College realized less net revenue because Tuition Waivers have increased significantly as a result of the expanded financial aid program. Also, the College had its worst attrition rate in the last ten years when last fall a significant number of second year students withdrew.

Net Tuition and Fee Income
2002-03 Year-End

	2001-02 Actual Revenue	2002-03 Budgeted Revenue	2002-03 Actual Revenue	Budgeted to Actual Variance	Variance as a Percentage of Budgeted Revenue
Antioch College	9,586,854	9,638,888	8,865,582	-773,306	-8.02%
Glen Helen	130,215	114,142	113,760	-382	-0.33%
New England	9,088,921	9,352,060	9,778,206	426,146	4.56%
Seattle	8,814,346	9,799,381	9,293,330	-506,051	-5.16%
Southern California	10,773,786	11,361,960	11,791,270	429,310	3.78%
McGregor	5,021,243	5,578,243	6,135,983	557,740	10.00%
Ph.D. Leadership	94,200	592,750	617,325	24,575	4.15%
TOTALS	$43,509,565	$46,437,424	$46,595,456	$158,032	0.34%

At the College, 2001-02 Tuition Discounts were $3.9 million, but the cost of these waivers increased to $5.5 million in 2002-03. Despite a significant increase in the budget for waivers to reflect the policy of meeting full need and providing incentives for low-need students to attend, nearly $100,000 more was given as Tuition Discounts than had been budgeted.

Gift Income across the University was down 8.7% (-$208,100) from budget and only $38,753 (1.8%) above the level of 2001-02. Campus Gifts income exceeded budget only at Southern California ($29,332). For the other units, Gift Income increased above budget for the University Administration ($3,478), Glen Helen ($4,976), and WYSO ($27,147).

Grants failed to reach budgeted levels for the University as a whole and actually declined slightly from the 2001-02 level. Contracts, however, increased by 80% ($171,952) over budget but were -$157,399 (-28.9%) below the level of the prior year. Other Income increased by 21.6% over budget while Auxiliary Enterprises failed to meet their budgeted level by 7.2%. Funds Releases from Restrictions were $ 631,609 above budget (16.7%).

UNRESTRICTED OPERATING EXPENSES

In 2002-03, Total E&G expenses were -$152,617 (-0.25%) below the budgeted level, but $2.3 million (3.8%) above the level of the prior year. Of the campuses, New England ($609,858), McGregor ($229,187) and the PhD in Leadership ($66,674) had actual E&G expenses above their budgets. The College was slightly below budget (-$26,418), and Seattle (-$458,691) and Southern California (-$208,074) each reduced their expenditures from budget by about 4%.

Educational & General Expenses
2002-03 Year-End

	2001-02 Actual	2002-03 Budget	2002-03 Actual	Variance Budget to Actual	
Antioch College	17,270,353	16,496,512	16,470,094	-26,418	-0.16%
Glen Helen	617,126	649,418	697,161	47,743	7.35%
New England	11,215,266	11,132,244	11,742,102	609,858	5.48%
Seattle	9,224,241	10,769,736	10,311,045	-458,691	-3.85%
Southern California	10,586,533	11,908,259	11,700,185	-208,074	-3.66%
McGregor	5,223,805	5,688,293	5,917,480	229,187	4.03%

Educational & General Expenses (continued)
2002-03 Year-End

	2001-02 Actual	2002-03 Budget	2002-03 Actual	Variance Budget to Actual	
Ph.D. Leadership	220,273	592,750	659,424	66,674	11.25%
University Administration	1,868,178	1,673,910	1,701,253	27,343	1.63%
WYSO Radio	1,046,090	853,240	1,042,016	188,776	22.12%
University Wide	1,655,724	1,573,721	934,228	-639,493	-40.64%
Antioch Review	127,950	132,688	143,166	10,478	7.90%
TOTALS	$59,055,539	$61,470,771	$61,318,154	-$152,617	-0.25%

Although Total E&G Expenses were slightly below the budgeted level (-$152,617), Total E&G Revenue was considerably below budget (-$1,677,457). When revenues decline 3.1% and expenses decline only .3%, it should not be a surprise if there is a deficit. Of course, Realized and Unrealized Gains and Losses are a part of E&G revenue. Our ability to control the market forces or to invest in ways that provide gains and avoid losses are quite limited, but we must find ways to reduce expenses at the College when revenues fail to materialize.

Campus Accrual and Cash Balances
2002-03 Actual

	Revenue	Expense	Accrual Balance
Antioch College	17,515,980	18,808,910	-1,292,930
New England	11,923,734	11,742,102	181,632
Seattle	10,753,675	10,629,892	123,783
Southern California	12,515,036	11,960,230	554,806
McGregor	6,315,364	5,917,480	397,884
Ph.D. Leadership	687,523	659,424	28,099
Totals	$59,711,312	$59,718,038	-$6,726

On a total revenue and expense basis, the campuses and PhD in Leadership and Change were just about to the breakeven point (-$6,726) despite the fact that the College incurred a deficit of nearly -$1.3 million. This means that campus operations accounted for only .04% of the total 2002-03 University accrual deficit.

Accrual and Cash Balances of Other Units
2002-03 Actual

	Revenue	Expense	Accrual Balance
Glen Helen	717,257	697,161	20,096
University Administration	1,724,102	1,701,253	22,849
WYSO Radio	912,527	1,042,016	-129,489
University Wide	-669,867	934,228	-1,604,095
Antioch Review	104,977	143,166	-38,189
Totals	$2,788,996	$4,517,824	-$1,728,828

The other units of the University accounted for -$1,728,828, or nearly all of the 2002-03 deficit. Of these units, University Wide, where gains, losses and income on the endowment are recorded, accounted for 92.4% of the entire University deficit.

Salaries, wages and benefits account for 62% of the actual 2002-03 expenses. Salaries & Wages were about at the budget level, but Fringe Benefits were below budget by -$359,049 (-3.7%). Salaries & Wages increased by 1.27% over 2001-02, while fringe benefits increased by 1.9% over the prior year.

Antioch University
Fringe Benefit Costs

	2001-02 Actual Expense	2002-03 Budgeted Expense	2002-03 Actual Expense	Budgeted to Actual Variance	Variance as a Percentage of Budgeted Expense
Medical Coverage	3,052,853	3,133,423	3,097,775	-35,648	-1.14%
Dental Coverage	201,885	205,672	200,451	-5,221	-2.54%
FICA	2,007,566	2,124,214	2,070,257	-53,957	-2.54%
Workers Compensation	224,959	388,083	291,848	-96,235	-24.80%
Unemployment Compensation	73,848	78,665	90,034	11,369	14.45%
Life Insurance	136,051	161,916	154,248	-7,668	-4.74%
TIAA/CREF Retirement	2,677,936	2,722,178	2,746,901	24,723	0.91%
Short & Long-Term Disability	59,869	72,344	61,229	-11,115	-15.36%
Deferred Compensation	263,293	208,150	126,769	-81,381	-39.10%
Professional Development	1,250	66,431	56,816	-9,615	-14.47%
Tuition Waivers	378,427	455,982	385,604	-70,378	-15.43%
Moving Expenses	25,866	24,645	27,001	2,356	9.56%
Other	60,883	59,374	33,095	-26,279	-44.26%
TOTALS	$9,164,686	$9,701,077	$9,342,028	-$359,049	-3.70%

Of the various fringe benefit expenses, Medical Coverage is the largest. We have had considerable success in limiting the growth of medical coverage expense during the past several years, with year-to-year actual expenses increasing last year by about $45,000 out of a total medical expense of $3.1 million. However, Medical expenses increased by 40% in 2001-02 over the previous year, and we expect this category to increase between 15% and 18% in 2003-04. The cost of prescription drugs is the fastest growing component of our medical expense, but not the largest. Because we are self insured, our costs can fluctuate depending upon the number of major illnesses that strike our employees in a given year. We maintain "stop-loss" insurance to cover the very large individual claims, but we are responsible for the first $85,000 of each claim. In an average year, we can expect three to five cases that will exceed our stop-loss coverage. In years when we have more than the average number of major cases, the total cost of our medical coverage can jump dramatically.

The next major expense is retirement contributions followed by FICA payments. Antioch's retirement plan is considered generous in comparison with other college and university plans.

Although Workers Compensation costs were below budget by -$96,235 (-24.8%), the 2002-03 actual expense represents a significant increase over the 2001-02 level. We had expected that this growing expense category would continue its rapid growth, but it did not grow quite as much as we had anticipated. The Workers Compensation funds of many states have been found to be without sufficient reserves to meet potential claims and most states are moving to rebuild their reserves. Like many private insurance companies, the Workers Compensation funds have relied on significant stock market returns to keep premium costs low. The decline in the stock market has forced a return to higher premiums in order to insure solvency.

Capital expenditures in 2002-03 were nearly double the amount budgeted. At the College, unanticipated costs associated with mold remediation in Spalt and Presidents dormitories resulted from capital investment to replace furniture, and building improvements to prevent ground water from entering the buildings. The availability of depreciation funds made it possible for the other campuses to meet the cost of physical improvements that otherwise might have required borrowing. New England was able to pay for the expansion required by its cooperative program with the local school district, Seattle met the cost of its library and computer space expansion, and Southern California invested in costs associated with the relocation of the LA campus. In addition, depreciation funds were used to replace and acquire new technology, particularly equipment for computer labs.

In 2001-02, the University had a cash deficit of $2.5 million. Most of this is contained within the endowment, but a portion require the University to apply the cash surpluses at the non-residential campuses and the PhD program to cover a portion of the College's cash deficit. On page 74 are three tables showing how Carry-Forward and Reserves are handled. The table titled Change in Carry-Forward funds shows the opening balance for 2002-03, the adjustments that were made for the distribution of the Black bequest, the additions made as a result of year-end balances that could be funded, and the balance as of the end of 2002-03. In total, the campuses have credits of $4.6 million of which only $460,491 is funded. The Black bequest, which was received during 2002-03, is the second of the designated bequests that have been committed to repay the cost of the College's first Capital Campaign. When the first campaign was started, the non-residential campuses had funded reserves which they agreed to lend to the College to finance the Capital Campaign. The repayment agreement pledges specific unrestricted bequests, but only two of these have been realized to date.

The two other tables on page 74 show the change in Depreciation Reserves and the Change in Liquidity Reserves. The Depreciation Reserve funds that were not expended in 2002-03 have been carried forward and three campuses have increased their reserves. Seattle has added $125,000, Southern California $300,000 and McGregor $100,000. In total, the campuses are holding $683,931 in the Depreciation Reserve. All of this amount is funded.

The Change in Liquidity Reserves table shows that the campuses have accumulated $2.2 million as of the end of 2002-03. This balance is unchanged from 2001-02 because no additional contributions have been collected since the decision was made to assign depreciation expense to the campuses. Interest earned on the liquidity reserves is credited to the campuses and added to the Carry-Forward funds.

CONCLUSION

The continued weakness of the stock market and the unanticipated requirement to write down the value of the Vernay stock held by the endowment contributed significantly to the deficit in 2002-03. Continuing problems with the College's revenues and inability to reduce expenditures during the year to stay within the reduced revenue level is the second major factor contributing to the deficit. While we have almost no ability to influence the stock market or the value of securities that we hold, we must find ways to more closely manage the finances of the College and move it closer to a level of self-support. It is incumbent on all of us to take the steps necessary to rejuvenate the College and stabilize its finances.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

ANTIOCH UNIVERSITY
Statement of Financial Position
June 30, 2003

	College	New England	Seattle	Southern California	McGregor	University Administration	Total University
	------	------	------	------	------	------	------
Cash and cash equivalents	629,708	24,133	44,667	158,064	20,974	2,935,595	3,813,141
Accounts receivable	2,593,124	-405,205	517,214	1,156,904	688,985	3,274,374	7,825,396
Grants receivable					1,326	234,186	235,512
Contributions receivable	8,782,115						8,782,115
Prepaid expenses	494,618	109,286	88,470	170,300	1,928	222,146	1,086,748
Loans to students	157,442			36,889		4,720,059	4,914,390
Investments	447,034	648,569	342,185			29,340,625	30,778,413
Land, buildings and equipment	11,605,543	4,449,937	7,477,935	748,083	2,410,483	2,325,786	29,017,766
Total Assets	24,709,584	4,826,720	8,470,471	2,270,240	3,123,696	43,052,771	86,453,481
Accounts payable						1,482,595	1,482,595
Accrued benefit liabilities	330,662					3,009,946	3,340,608
Other accrued liablilities	141,313	34,037	216,216	106,002	1,500	1,755,764	2,254,832
Deferred revenue	2,099,693	1,135,011	1,678,080	2,032,601	1,111,193	650,004	8,706,582
Notes and bonds payable	2,801,515	4,920,840	6,745,000	45,734		719,654	15,232,743
Annuities payable						2,075,313	2,075,313
Deposits held on behalf of others	475,068	42,944	54,179	76,626	25,784	-948	673,653
Advances from government for student loans						4,645,503	4,645,503
Total Liabilities	5,848,251	6,132,832	8,693,475	2,260,963	1,138,477	14,337,831	38,411,829
Net Assets							
Unrestricted	-8,491,805	4,430,370	3,901,667	3,351,043	2,445,312	1,346,723	6,983,310
Temporarily restricted	10,369,276	255,403	1,066,778	114,365	130,396	379,460	12,315,678
Permanently restricted	1,346,732			6,827		27,389,105	28,742,664
Total net assets	3,224,203	4,685,773	4,968,445	3,472,235	2,575,708	29,115,288	48,041,652
Total Liabilities and Net Assets	9,072,454	10,818,605	13,661,920	5,733,198	3,714,185	43,453,119	86,453,481

ANTIOCH UNIVERSITY
Unrestricted Statement of Activities
As of June 30, 2003
By Campus

	College Inc Glen Helen	New England	Seattle	University PhD Program	Southern California	McGregor	Central Admin Inc WYSO, Antioch Review	University Wide	Total
Revenues and Gains:									
Tuition and fees	8,979,342	9,778,206	9,293,330	617,325	11,791,270	6,135,983			46,595,456
Contributions	1,585,027	22,315	13,727		69,332	21,714	483,757	150	2,196,022
Contracts and other exchange transactions	1,418,989	1,318,599	192,008	57,062	187,289	154,700	174,463	116,528	3,619,638
Investment income on life income and annuity agreements									0
Investment income on endowment	197,759						8,021	-334,080	-128,300
Other investment income	29,135	38,833	27,056	101	15,792	10,204		20,527	141,648
Net realized gains(loss) on endowment								-1,574,299	-1,574,299
Net realized gains(loss) on other investments	9,951	14,423	9,358	45	6,939	4,284		-951	44,049
Sales and service of auxiliary enterprises	3,185,391	3,480	312,669		222,824		49,877		3,774,241
Other Income	97,242	293,326	376,200	3,480	58,068	-197	314,864	134,820	1,277,803
Total revenues and gains	15,502,836	11,469,182	10,224,348	678,013	12,351,514	6,326,688	1,030,982	-1,637,305	55,946,258
Net assets released from restrictions	2,730,401	454,553	529,328	9,510	163,522	-11,324		539,956	4,415,946
Total unrestricted revenues, gains and other support	18,233,237	11,923,735	10,753,676	687,523	12,515,036	6,315,364	1,030,982	-1,097,349	60,362,204
Expenses and Losses:									
Educational and General:									
Instruction	4,929,675	4,973,746	4,105,257	593,654	4,383,828	2,912,039		-48,749	21,849,450
Research	578	2,460	0		0	0			3,038
Public Service	671,840	1,143,170	1,211	63,065	217,236	0	1,163,635	0	3,260,157
Academic support	1,104,220	606,173	1,064,755		731,416	47,733		68,854	3,623,151
Student services	2,770,475	687,441	864,175		1,254,831	891,046	100,093		6,568,061
Institutional support	2,365,900	2,691,234	2,671,225		3,211,535	1,708,956	1,601,160	-1,562,789	12,687,221
Operation and maintenance of plant	1,924,735	765,208	936,062		1,572,920	134,272			5,333,197
Depreciation	1,428,177	478,424	463,304	2,705	130,030	204,936	21,547	222,140	2,951,263
Scholarships and Fellowships	1,971,653	394,246	205,057		198,389	18,498		116,667	2,904,510
Total educational and general expenses	17,167,253	11,742,102	10,311,046	659,424	11,700,185	5,917,480	2,886,435	-1,203,877	59,180,048
Auxiliary enterprises	2,338,816	0	318,847		260,045		0	0	2,917,708
Total expenses	19,506,069	11,742,102	10,629,893	659,424	11,960,230	5,917,480	2,886,435	-1,203,877	62,097,756
Actuarial (gain) loss on annuity obligations									0
Payments to life income beneficiaries									0
Total expenses and losses	19,506,069	11,742,102	10,629,893	659,424	11,960,230	5,917,480	2,886,435	-1,203,877	62,097,756
Increase(decrease) in net assets	-1,272,832	181,633	123,783	28,099	554,806	397,884	-1,855,453	106,528	-1,735,552
Net assets at beginning of year	-7,218,972	4,248,737	3,777,885	1,799	2,796,238	2,047,427	9,363,468	-6,297,720	8,718,862
Net assets at end of year	-8,491,804	4,430,370	3,901,668	29,898	3,351,044	2,445,311	7,508,015	-6,191,192	6,983,310

Antioch University

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	%	Change From 2001-02 Actual to 2002-03 Actual $	%
Revenues								
Tuition & Fees	44,384,891	47,762,734	52,021,424	52,296,862	275,438	0.53%	4,534,128	9.49%
Less Tuition Discounts	-3,306,727	-4,253,169	-5,584,000	-5,701,406	-117,406	-2.10%	-1,448,237	-34.05%
Net Tuition and Fees	41,078,164	43,509,565	46,437,424	46,595,456	158,032	0.34%	3,085,891	7.09%
Gifts	2,256,349	2,157,268	2,404,124	2,196,021	-208,103	-8.66%	38,753	1.80%
Lead Gifts	639,612	500,000	0	0	0		-500,000	-100.00%
Grants	2,730,659	3,242,681	3,294,362	3,231,617	-62,745	-1.90%	-11,064	-0.34%
Endowment Income	132,280	101,758	400,778	-128,301	-529,079	-132.01%	-230,059	-226.08%
Contracts	737,487	545,420	216,069	388,021	171,952	79.58%	-157,399	-28.86%
Realized Gains (Losses)	-220,093	-649,275	0	-2,441,235	-2,441,235		-1,791,960	-275.99%
Unrealized Gains (Losses)	620,736	-1,332,095	0	996,509	996,509		2,328,604	174.81%
Other Income	1,532,479	1,229,472	1,096,715	1,333,927	237,212	21.63%	104,455	8.50%
Total E&G Revenue	49,507,673	49,304,794	53,849,472	52,172,015	-1,677,457	-3.12%	2,867,221	5.82%
Auxiliary Enterprises	3,400,471	3,672,379	4,067,753	3,774,241	-293,512	-7.22%	101,862	2.77%
Released From Restrictions	2,793,328	3,542,498	3,784,337	4,415,946	631,609	16.69%	873,448	24.66%
Total Revenues	55,701,472	56,519,671	61,701,562	60,362,202	-1,339,360	-2.17%	3,842,531	6.80%
Net Overhead for Central Operations	2,549,500	2,374,497	2,200,000	2,138,106	-61,894	-2.81%	-411,394	-17.33%
Operating Expenses								
Instruction	19,155,718	20,244,916	22,487,149	21,849,450	-637,699	-2.84%	1,604,534	7.93%
Research	8,600	0	0	3,038	3,038		3,038	
Public Service	2,980,279	3,163,989	2,522,261	3,266,881	744,620	29.52%	102,892	3.25%
Academic Support	3,394,285	3,319,937	3,313,870	3,623,151	309,281	9.33%	303,214	9.13%
Student Services	5,798,767	6,026,561	6,675,382	6,568,061	-107,321	-1.61%	541,500	8.99%
Institutional Support	14,967,606	15,483,905	15,762,065	14,818,603	-943,462	-5.99%	-665,302	-4.30%
Plant Maintenance	7,742,236	7,737,319	7,885,122	8,284,460	399,338	5.06%	547,141	7.07%
Scholarships	2,974,725	3,078,912	2,824,922	2,904,510	79,588	2.82%	-174,402	-5.66%
Total E&G Expenses	57,022,216	59,055,539	61,470,771	61,318,154	-152,617	-0.25%	2,262,615	3.83%
Auxiliary Enterprises	2,816,991	2,776,772	2,969,112	2,917,708	-51,404	-1.73%	140,936	5.08%
Total Operating Expenses	59,839,207	61,832,311	64,439,883	64,235,862	-204,021	-0.32%	2,403,551	3.89%
Excess Revenue over Expenses	-1,588,235	-2,938,143	-538,321	-1,735,554	-1,197,233	-222.40%	1,202,589	40.93%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	2,374,383	2,061,158	1,438,363	2,866,670	1,428,307	99.30%	805,512	39.08%
Borrowing Proceeds	-1,953,394	-303,738	-211,000	-242,771	-31,771	-15.06%	60,967	20.07%
Principal Payments	911,780	1,010,305	754,106	1,092,620	338,514	44.89%	82,315	8.15%
Prior Year Reserves	0	-119,122	0	0	0		119,122	100.00%
Add back Depreciation	-2,920,157	-2,959,298	-2,885,195	-2,951,263	-66,068	-2.29%	8,035	0.27%
Total Cash Items	-1,587,388	-310,695	-903,726	765,256	1,668,982	184.68%	1,075,951	346.30%
Net Cash Basis Budget	-847	-2,627,448	365,405	-2,500,810	-2,866,215	-784.39%	126,638	4.82%

Antioch University

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	58,250,972	58,894,168	63,901,562	62,500,308	-1,401,254	-2.19%	3,606,140	6.12%
Operating Expenses								
Salaries & Wages	28,195,318	29,576,592	29,973,210	29,951,594	-21,616	-0.07%	375,002	1.27%
Benefits	7,941,150	9,164,686	9,701,077	9,342,028	-359,049	-3.70%	177,342	1.94%
Training & Development	1,669,863	1,607,674	2,268,406	1,865,262	-403,144	-17.77%	257,588	16.02%
Student Aid Services	1,646,150	1,613,833	1,585,712	1,734,063	148,351	9.36%	120,230	7.45%
Special Events	245,477	232,990	331,232	282,078	-49,154	-14.84%	49,088	21.07%
Supplies	1,371,596	1,449,225	1,454,606	1,782,043	327,437	22.51%	332,818	22.97%
Business Operations	6,542,879	6,272,045	6,589,624	7,116,965	527,341	8.00%	844,920	13.47%
Plant Maintenance	3,784,320	3,772,930	4,004,882	4,034,207	29,325	0.73%	261,277	6.93%
Interest Expense	1,530,178	1,328,738	1,330,541	1,285,713	-44,828	-3.37%	-43,025	-3.24%
Resale Costs	779,198	718,866	724,500	738,404	13,904	1.92%	19,538	2.72%
Miscellaneous	493,923	611,660	519,395	595,806	76,411	14.71%	-15,854	-2.59%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	398,357	0	-398,357	-100.00%	0	
Campus Program Contingency, Discretionary	0	1,715	248,697	1,000	-247,697	-99.60%	-715	-41.69%
Liquidity Reserve	0	0	0	0	0		0	
Overhead				0	0		0	
To the University	4,983,195	3,124,497	2,800,000	2,738,106	-61,894	-2.21%	-386,391	-12.37%
Rebates from the University	-2,033,695	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	-400,000	-750,000	-600,000	-600,000	0	0.00%	150,000	20.00%
Other (Intercampus Agree & Univ Conf)	169,498	147,562	224,449	417,330	192,881	85.94%	269,768	182.82%
Depreciation	2,920,157	2,959,298	2,885,195	2,951,263	66,068	2.29%	-8,035	-0.27%
Total Operating Expenses	59,839,207	61,832,311	64,439,883	64,235,862	-204,021	-0.32%	2,403,551	3.89%
Excess Revenue over Expenses	-1,588,235	-2,938,143	-538,321	-1,735,554	-1,197,233	-222.40%	1,202,589	40.93%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	2,374,383	2,061,158	1,438,363	2,866,670	1,428,307	99.30%	805,512	39.08%
Borrowing Proceeds	-1,953,394	-303,738	-211,000	-242,771	-31,771	-15.06%	60,967	20.07%
Principal Payments	911,780	1,010,305	754,106	1,092,620	338,514	44.89%	82,315	8.15%
Prior Year Reserves	0	-119,122	0	0	0		119,122	100.00%
Add Back Depreciation	-2,920,157	-2,959,298	-2,885,195	-2,951,263	-66,068	-2.29%	8,035	0.27%
Total Cash Items	-1,587,388	-310,695	-903,726	765,256	1,668,982	184.68%	1,075,951	346.30%
Net Cash Basis Budget	-847	-2,627,448	365,405	-2,500,810	-2,866,215	-784.39%	126,638	4.82%

ANTIOCH COLLEGE
2002-03 Year-End Review

This was a year of extraordinary changes and challenges, including a problematic accreditation visit and report, the replacement of all of the College's Deans plus other key administrators, and the recognition by the College community and the Board that the financial condition of the College is not improving fast enough to ensure its long-term health and survival.

Nevertheless, there is positive news to report, most of it in the domain of management improvements. Antioch has sometimes chosen to maintain its high quality faculty and academic programs at the expense of such activities as fundraising, management, and external relations. This situation endangered the College for the long term, and was one that I was determined to reverse. During the past year we have done much to strengthen our infrastructure and services. Some examples:

- National searches resulted in the appointment of two new deans in important areas, admissions and academic leadership, both with extensive experience at mid-western liberal arts colleges. Both began their work on campus at the beginning of August.

- A complete analysis and reorganization of student services resulted in the appointment of two new deans, the dismissal of the housing director, the reorganization of residence hall supervision and the training of supervisors, and the reinstatement of a for-credit orientation course for first year students. The resulting changes in student culture are visible already.

- Good research and administrative decision support services have been instituted, through a reorganization of institutional research within the Registrar's office. Improved data collection enables us to measure the true extent of problems such as student attrition, and to accurately compare the present picture with the past.

- We have established an office of Communications in the Development Office, headed by Rachel Moulton, who manages press relations as well as publications. Two high-quality periodicals, The Antiochian, as well as a new "between-times" publication, The Forum, have been appearing regularly in the mailboxes of alumni and friends of the College and University.

- A volunteer coordinator has been appointed in the Office of Admissions, to engage our extensive and loyal network of alumni in recruitment of students.

- New state-of-the-art Admissions software was purchased, and a new website shell designed.

- Internet access is now complete for all academic and support facilities and most residence halls; by January 1, 2004 this task is scheduled to be complete, with all campus facilities on line.

- A new organization called the Committee of 150 (named in honor of our sesquicentennial celebration) has been organized to solicit and manage professional services from volunteers. This activity is located in the President's office and is staffed by co-op students. Skilled volunteers, most of them non-alumni, have provided *pro bono* services worth many thousands of dollars in such fields as landscape architecture, environmental law, translation, heating /air conditioning, design, public relations, conflict resolution, audio technology, student services, institutional management, labor relations and art management. We could never have found the institutional funds to purchase the quality and quantity of services we have received from these generous volunteers.

- An extensive schedule of sesquicentennial events has been planned for this year.

- A public relations firm has been engaged to handle Sesquicentennial publicity.

This positive picture of change is not matched by progress in the financial area. The College did not end 2002-03 where we had projected it would in April. Our projection, and the basis for my comments to the Board of Trustees in June and the ULC at the retreat, anticipated a deficit of about $700,000. Unfortunately the number is nearly $600,000 greater, or a total of $1.29 million in the red. The total deficit figure includes the budgeted $600,000 deficit.

The big picture is that revenues ended the year $764,868 below budget while expenses were about $71,938 under the original budget. The difference between these two numbers, when combined with the budgeted deficit of $600,000, produced the accrual deficit of $1.29 million. The detail, however, shows that many factors contributed to the total deficit.

Revenues: The College's most important source of revenue, Tuition & Fees, was down from budget by $676,148. In addition, we awarded $97,158 more in Tuition Discounts than we budgeted for a net tuition fee shortfall of $773,306. Gift Income was short $124,450 and Auxiliary Enterprises (primarily housing and the cafeteria) was short $234,548.

Some offsets to the revenue shortfalls came from unrestricted Campaign Gifts which were over budget by $50,750, Grants (primarily additional Federal Work Study) was $128,693 above budget, Other Income was up $35,281 and Released from Restrictions exceeded budget by $202,780. The increase in Released from Restrictions funding was due to use of the Leo Drey revolving account that must be repaid in 2003-04.

Although revenue was down $764,868 from budget, because the shortfall was primarily tuition and fees, the College had most of the year to adjust expenses and try to bring the budget back into balance. Early in the first semester, the College revised its proposed spending to bring the budget closer to balance. While there were some revenue measures, control of expenditures was the most important part of the equation. As the following table shows, the Revised Budget, if it had been achieved, would have saved $343,528 in lower expenditures.

The table also shows that our projection for year-end was wide of the mark. Our year-end projection understated actual expenditures by $755,554. A review of our projection revealed that a number of things went wrong, but salaries and benefits constituted the largest dollar amounts of the variance.

We examined the budget cost-center-by-cost-center and we found that a lot of expenses were recorded in the last 60 days of the fiscal year. Some of these should have been anticipated and reflected in our year-end projection; others would have been hard to predict.

2002-03 College Expenses
Revised Budget Compared to Actual
Projection Compared to Actual

	Revised Budget	Actual	(over) under Difference	Year End Projection	(over) under Difference
Salaries & Wages	7,980,914	8,234,889	-253,975	8,029,066	-205,823
Benefits	2,875,467	3,013,637	-138,170	2,838,102	-175,535
Training & Development	736,142	487,144	248,998	453,526	-33,618
Student Aid Services	1,330,149	1,339,724	-9,575	1,332,628	-7,096
Special Events	185,387	130,086	55,301	84,612	-45,474
Supplies	803,034	846,135	-43,101	774,515	-71,620
Business Operations	1,978,411	2,065,636	-87,225	1,906,682	-158,954
Plant Maintenance	1,331,002	1,449,506	-118,504	1,404,753	-44,753
Interest Expense	106,336	117,741	-11,405	116,319	-1,422
Resale Costs	260,000	276,297	-16,297	263,248	-13,049
Miscellaneous	232,868	231,971	897	225,517	-6,454
Contingencies/Reserves	17,969	0	17,969	0	0
Overhead	-793,435	-793,435	0	-793,440	-5
Depreciation	1,421,139	1,409,580	11,559	1,417,829	8,249
Totals	**$18,465,383**	**$18,808,911**	**-$343,528**	**$18,053,357**	**-$755,554**

Expenses: Salaries, wages, and benefits account for the largest source of overspending. Together, they account for $392,145 more than was in the adjusted budget. Although this was disappointing in the extreme to those of us who thought we had this category under control, actual salaries, wages, and benefits for 2002-03 were $803,814 **less** than in 2001-02.

Also contributing to the excess spending was Supplies ($43,101), Business Operations ($87,225), Plant Maintenance ($118,504), Interest Expense ($11,405) and Resale Costs ($16,297).

Among the items on the list are the following:

- Mold remediation in residence halls -- $138,000 (Capital budget $335,000; operating budget $138,000; total $473,000)
- Two tenure relinquishments not budgeted -- $42,000
- Community Government budget deficit -- $44,000
- GLCA tuition benefit overage -- $38,000
- Overage due to workers compensation, unemployment, union vacation accrual -- $57,000
- Co-op faculty member on 8-month contract extended to full year -- $22,000
- Security overtime and substitutes -- $36,000
- Academic Support Center assistant -- $24,000
- Switchboard attendant extended due to unexpected delay in automated system start-up -- $20,000
- Dining Services food -- $14,765. (Dining Services as a whole stayed within its operating budget.)

Corrective Measures: In order to insure that we do not have a repeat of the deficit in 2003-04, several procedural and administrative steps are being taken, including a complete reopening and reconsideration of the 2003-04 budget. An agenda for review and remediation of budget and financial management practices is included in the companion report on the First Quarter being submitted to the Board at this time.

Joan Straumanis
President

Antioch College

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	%	Change From 2001-02 Actual to 2002-03 Actual $	%
Revenues								
Tuition & Fees	11,971,121	13,488,761	15,003,888	14,327,740	-676,148	-4.51%	838,979	6.22%
Less Tuition Discounts	-2,901,056	-3,901,907	-5,365,000	-5,462,158	-97,158	-1.81%	-1,560,251	-39.99%
Net Tuition and Fees	9,070,065	9,586,854	9,638,888	8,865,582	-773,306	-8.02%	-721,272	-7.52%
Gifts	1,382,641	1,436,317	1,605,000	1,480,550	-124,450	-7.75%	44,233	3.08%
Lead Gifts	639,612	500,000	0	0	0		-500,000	-100.00%
Grants	1,537,841	1,707,919	1,260,998	1,389,691	128,693	10.21%	-318,228	-18.63%
Endowment Income	195,157	198,524	172,358	155,759	-16,599	-9.63%	-42,765	-21.54%
Contracts	1,305	28,887	3,000	10,330	7,330	244.33%	-18,557	-64.24%
Realized Gains (Losses)	2,837	85	0	4,088	4,088		4,003	4709.41%
Unrealized Gains (Losses)	0	0	0	5,863	5,863		5,863	
Other Income	218,108	111,620	90,700	125,981	35,281	38.90%	14,361	12.87%
Total E&G Revenue	13,047,566	13,570,206	12,770,944	12,037,844	-733,100	-5.74%	-1,532,362	-11.29%
Auxiliary Enterprises	2,542,508	2,768,779	3,136,795	2,902,247	-234,548	-7.48%	133,468	4.82%
Released From Restrictions	1,271,696	1,520,986	2,373,109	2,575,889	202,780	8.54%	1,054,903	69.36%
Total Revenues	16,861,770	17,859,971	18,280,848	17,515,980	-764,868	-4.18%	-343,991	-1.93%
Operating Expenses								
Instruction	4,871,646	4,862,103	5,113,537	4,929,675	-183,862	-3.60%	67,572	1.39%
Research	0	0	0	578	578		578	
Public Service	1,066	1,431	0	0	0		-1,431	-100.00%
Academic Support	1,122,587	1,066,313	1,081,705	1,104,220	22,515	2.08%	37,907	3.55%
Student Services	2,453,336	2,591,976	2,817,653	2,770,475	-47,178	-1.67%	178,499	6.89%
Institutional Support	2,868,269	3,322,391	2,598,050	2,359,177	-238,873	-9.19%	-963,214	-28.99%
Plant Maintenance	1,785,445	3,227,044	3,065,296	3,334,316	269,020	8.78%	107,272	3.32%
Scholarships	2,110,081	2,199,095	1,820,271	1,971,653	151,382	8.32%	-227,442	-10.34%
Total E&G Expenses	15,212,430	17,270,353	16,496,512	16,470,094	-26,418	-0.16%	-800,259	-4.63%
Auxiliary Enterprises	2,220,836	2,215,084	2,384,336	2,338,816	-45,520	-1.91%	123,732	5.59%
Total Operating Expenses	17,433,266	19,485,437	18,880,848	18,808,910	-71,938	-0.38%	-676,527	-3.47%
Excess Revenue over Expenses	-571,496	-1,625,466	-600,000	-1,292,930	-692,930	-115.49%	332,536	20.46%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	1,687,564	512,568	690,764	1,135,346	444,582	64.36%	622,778	121.50%
Borrowing Proceeds	-1,585,709	-258,673	-211,000	-198,237	12,763	6.05%	60,436	23.36%
Principal Payments	529,206	574,656	341,375	395,439	54,064	15.84%	-179,217	-31.19%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-1,458,832	-1,421,139	-1,409,580	11,559	0.81%	49,252	3.38%
Total Cash Items	631,061	-630,281	-600,000	-77,032	522,968	87.16%	553,249	-87.78%
Net Cash Basis Budget	-1,202,557	-995,185	0	-1,215,898	-1,215,898		-220,713	-22.18%

Antioch College

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	%	Change From 2001-02 Actual to 2002-03 Actual $	%
Revenues	16,861,770	17,859,971	18,280,848	17,515,980	-764,868	-4.18%	-343,991	-1.93%
Operating Expenses								
Salaries & Wages	8,290,415	8,955,012	8,039,410	8,234,889	195,479	2.43%	-720,123	-8.04%
Benefits	2,758,312	3,097,328	2,968,582	3,013,637	45,055	1.52%	-83,691	-2.70%
Training & Development	483,763	443,057	796,089	487,144	-308,945	-38.81%	44,087	9.95%
Student Aid Services	1,455,944	1,351,278	1,330,149	1,339,724	9,575	0.72%	-11,554	-0.86%
Special Events	102,638	94,130	187,637	130,086	-57,551	-30.67%	35,956	38.20%
Supplies	659,850	729,693	747,027	846,135	99,108	13.27%	116,442	15.96%
Business Operations	1,955,318	1,998,084	2,111,270	2,065,636	-45,634	-2.16%	67,552	3.38%
Plant Maintenance	1,352,022	1,287,721	1,395,587	1,449,506	53,919	3.86%	161,785	12.56%
Interest Expense	264,909	153,426	153,571	117,741	-35,830	-23.33%	-35,685	-23.26%
Resale Costs	303,167	275,605	260,000	276,297	16,297	6.27%	692	0.25%
Miscellaneous	251,563	236,725	238,718	231,970	-6,748	-2.83%	-4,755	-2.01%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	25,104	0	-25,104	-100.00%	0	
Campus Program Contingency, Discretionary	0	1,715	0	0	0		-1,715	-100.00%
Liquidity Reserve	90,316	0	0	0	0		0	
Overhead								
To the University	993,471	0	0	0	0		0	
Rebates from the University	-550,000	0	0	0	0		0	
Subsidy from Adult Campuses	-200,000	0	0	0	0		0	
Subsidy from Overhead	-400,000	-600,000	-600,000	-600,000	0	0.00%	0	0.00%
Other (Intercampus Agree & Univ Conf)	-378,422	2,831	-193,435	-193,435	0	0.00%	-196,266	-6932.74%
Depreciation		1,458,832	1,421,139	1,409,580	-11,559	-0.81%	-49,252	-3.38%
Total Operating Expenses	17,433,266	19,485,437	18,880,848	18,808,910	-71,938	-0.38%	-676,527	-3.47%
Excess Revenue over Expenses	-571,496	-1,625,466	-600,000	-1,292,930	-692,930	-115.49%	332,536	20.46%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	1,687,564	512,568	690,764	1,135,346	444,582	64.36%	622,778	121.50%
Borrowing Proceeds	-1,585,709	-258,673	-211,000	-198,237	12,763	6.05%	60,436	23.36%
Principal Payments	529,206	574,656	341,375	395,439	54,064	15.84%	-179,217	-31.19%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-1,458,832	-1,421,139	-1,409,580	11,559	0.81%	49,252	3.38%
Total Cash Items	631,061	-630,281	-600,000	-77,032	522,968	87.16%	553,249	87.78%
Net Cash Basis Budget	-1,202,557	-995,185	0	-1,215,898	-1,215,898		-220,713	-22.18%

GLEN HELEN ECOLOGY INSTITUTE
2002-03 Year-End Review

Background Information: Glen Helen Ecology Institute's annual fiscal performance is dependent upon several key revenue sources. Approximately five percent of the Institute's funding came directly from Antioch College in 2002-03. The remainder came through direct fundraising/gifts (44%) and program fees (51%).

A brief explanation of some of the budget categories is as follows:

- Tuition represents the Outdoor Education Center program fees.
- Endowment income represents earnings from the Hugh Taylor Birch Endowment ($500,000 at year's end).
- Contracts represent educational programs from the Outdoor Education Center, Raptor Center, and the Trailside Museum and Visitor Center.
- The auxiliary enterprises line item is for the Outdoor Education Center room and board income, rental income (Birch House, OEC Complex, and Glen Helen Building), and Glen Helen calendar sales.
- On the expenditure side, resale costs represent inventory purchases for Outdoor Education Center products (e.g., t-shirts) that are sold to school children and the public.

Financial Activity: Total revenue was $717,257 and total operating expenses were $697,161 representing an accrual surplus of $20,096. Our net cash basis budget was - $5,001 short. The deficit resulted from a $5,000 payment to the GHEI from the College that unexpectedly did not occur.

Unrestricted financial activity included $67,839 more revenue (10.5%) than planned and $47,743 more in spending (7.4%) than planned. Revenue from tuition and fees was only slightly lower than planned (.3%). Conversely, auxiliary enterprises were 4.4% higher than budgeted. This is attributed, in part, to an increase in rental of the Glen Helen Building. Gift and Contract revenue exceeded budget. Expense categories: supplies, plant maintenance and miscellaneous were under budget. Although plant maintenance needs were high, funds were redirected through the depreciation expense line and capital improvements made which reduced the plant maintenance expense line. Recognizing a need to reduce expenses, some plant maintenance needs were again deferred. Salary and benefit expenses represent the greatest expense over budget. In budgeting for the fiscal year it is difficult to accurately determine the total benefit expense with initial estimates often lower than actual. Depreciation shows up in two different places. It is shown as an operating expense and as an add-back, since it is a non-cash expense and historically, the Glen has been held accountable for all expenses except depreciation. This was $18,597, $1,595 above budget.

Designated funds expense was $92,906, which represented a continuing drain on the GHEI's operating funds (used to supplement unrestricted revenue). The categorizing of unrestricted operating and restricted spending enables the Institute to manage the net revenue/expense within some limits. The restricted funds are restricted by definition (as is Glen Helen overall), but some of these funds may be used for general operations. That way, if it looks like the overall net is going to be negative, some operating expenses can be re-categorized as restricted and vice versa. This provides some flexibility in the Institute's efforts to balance its year-end budget without the benefit of "real-time" financial data (expenses that were processed by the college are not always precisely known at the time the books are closed).

Overview and Prospects: At 2002-03 year-end, the restricted monies are at $154,512 ($27,127 less than the previous year). In addition to the restricted funds, there are three endowments, totaling $545,000. The original $500,000 (Hugh Taylor Birch endowment) is unrestricted; an additional $25,000 is for the Glen Helen Building and grounds; and the last $20,000 is for general Glen Helen maintenance and land management. Year-end restricted fund balance has implications for future years. 2003-04 will be balanced taking $87,854 from restricted funds. That means that the Institute will have minimal operating reserves for 2004-05 if there is no new gifting of restricted monies. The budget already relies on gifting of $70,000 in unrestricted monies; this means that approximately $200,000 in gifting will be necessary in future years to maintain a balanced budget. Clearly, building these funds up and increasing the operating endowment must be a high priority for the Institute.

Robert S. Whyte
Executive Director

Glen Helen

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	112,060	130,215	114,142	113,760	-382	-0.33%	-16,455	-12.64%
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	112,060	130,215	114,142	113,760	-382	-0.33%	-16,455	-12.64%
Gifts	103,267	94,917	99,500	104,476	4,976	5.00%	9,559	10.07%
Lead Gifts	0	0	0	0	0		0	
Grants	4,066	0	0	7,603	7,603		7,603	
Endowment Income	42,000	42,000	42,000	42,000	0	0.00%	0	0.00%
Contracts	11,164	10,222	10,575	11,366	791	7.48%	1,144	11.19%
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	0	3	0	396	396		393	13100.00%
Total E&G Revenue	272,557	277,357	266,217	279,601	13,384	5.03%	2,244	0.81%
Auxiliary Enterprises	259,208	301,818	271,308	283,144	11,836	4.36%	-18,674	-6.19%
Released From Restrictions	92,105	181,639	111,893	154,512	42,619	38.09%	-27,127	-14.93%
Total Revenues	623,870	760,814	649,418	717,257	67,839	10.45%	-43,557	-5.73%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	583,511	604,027	649,418	678,564	29,146	4.49%	74,537	12.34%
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	13,099	0	18,597	18,597		5,498	41.97%
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	583,511	617,126	649,418	697,161	47,743	7.35%	80,035	12.97%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	583,511	617,126	649,418	697,161	47,743	7.35%	80,035	12.97%
Excess Revenue over Expenses	40,359	143,688	0	20,096	20,096		-123,592	-86.01%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	46,900	156,179	5,000	43,694	38,694	773.88%	-112,485	-72.02%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-13,099	-17,002	-18,597	-1,595	-9.38%	-5,498	-41.97%
Total Cash Items	46,900	143,080	-12,002	25,097	37,099	309.11%	-117,983	-82.46%
Net Cash Basis Budget	-6,541	608	12,002	-5,001	-17,003	-141.67%	-5,609	-922.53%

Glen Helen

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	623,870	760,814	649,418	717,257	67,839	10.45%	-43,557	-5.73%
Operating Expenses								
Salaries & Wages	288,795	273,365	310,098	328,682	18,584	5.99%	55,317	20.24%
Benefits	85,099	81,842	93,506	109,993	16,487	17.63%	28,151	34.40%
Training & Development	3,874	10,671	4,004	8,551	4,547	113.56%	-2,120	-19.87%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	517	0	587	587		70	13.54%
Supplies	52,159	56,000	51,600	50,360	-1,240	-2.40%	-5,640	-10.07%
Business Operations	46,754	62,928	57,233	87,131	29,898	52.24%	24,203	38.46%
Plant Maintenance	97,335	106,305	102,555	83,511	-19,044	-18.57%	-22,794	-21.44%
Interest Expense	109	28	70	35	-35	-50.00%	7	25.00%
Resale Costs	7,074	9,379	8,000	8,737	737	9.21%	-642	-6.85%
Miscellaneous	2,312	2,992	2,010	977	-1,033	-51.39%	-2,015	-67.35%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	3,340	0	-3,340	-100.00%	0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0		0	
Depreciation	0	13,099	17,002	18,597	1,595	9.38%	5,498	41.97%
Total Operating Expenses	583,511	617,126	649,418	697,161	47,743	7.35%	80,035	12.97%
Excess Revenue over Expenses	40,359	143,688	0	20,096	20,096		-123,592	-86.01%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	46,900	156,179	5,000	43,694	38,694	773.88%	-112,485	-72.02%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-13,099	-17,002	-18,597	-1,595	-9.38%	-5,498	-41.97%
Total Cash Items	46,900	143,080	-12,002	25,097	37,099	309.11%	-117,983	-82.46%
Net Cash Basis Budget	-6,541	608	12,002	-5,001	-17,003	-141.67%	-5,609	-922.53%

ANTIOCH NEW ENGLAND GRADUATE SCHOOL

2002-03 Year-End Review

Antioch New England Graduate School ended the fiscal year with $181,632 in excess revenue over expenses, a result that reflected robust enrollment throughout the year (tuition income was more than $425,000 above budget).

Our grant-getting and gift-getting activities were less effective than planned, though on the grant side, some expected funds were delayed rather than lost, and lower costs matched the lower income.

Our capital expenses this year included the build-out of the new high school space on our campus, and our excess of revenue over expense on the unrestricted side allowed us to avoid dipping into our prior-year and depreciation reserves for this cost.

On the whole, this was a strong year, and has allowed us to identify some strategic strengths, particularly enrollment in our Environmental Studies and Applied Psychology programs, that will be critical to long-term growth. The strength of the year also allowed us to invest in programs that, while not strategically strong today, can be transformed over time. Our development of the new high school is a prime example of a long-term tool for bringing a locally-focused (and often unpredictable) department - Education - into a stronger long-term position.

Peter S. Temes
President

Antioch New England Graduate School

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	%	Change From 2001-02 Actual to 2002-03 Actual $	%
Revenues								
Tuition & Fees	8,818,635	9,091,851	9,352,060	9,779,886	427,826	4.57%	688,035	7.57%
Less Tuition Discounts	-11,920	-2,930	0	-1,680	-1,680		1,250	42.66%
Net Tuition and Fees	8,806,715	9,088,921	9,352,060	9,778,206	426,146	4.56%	689,285	7.58%
Gifts	78,803	11,610	57,129	22,315	-34,814	-60.94%	10,705	92.20%
Lead Gifts	0	0	0	0	0		0	
Grants	530,071	891,813	1,132,188	997,559	-134,629	-11.89%	105,746	11.86%
Endowment Income	0	0	0	0	0		0	
Contracts	579,598	446,404	202,494	321,039	118,545	58.54%	-125,365	-28.08%
Realized Gains (Losses)	4,569	115	0	-2,509	-2,509		-2,624	-2281.74%
Unrealized Gains (Losses)	0	0	0	16,931	16,931		16,931	
Other Income	325,705	200,272	191,030	332,160	141,130	73.88%	131,888	65.85%
Total E&G Revenue	10,325,461	10,639,135	10,934,901	11,465,701	530,800	4.85%	826,566	7.77%
Auxiliary Enterprises	0	1,246	0	3,480	3,480		2,234	179.29%
Released From Restrictions	585,861	625,140	197,343	454,553	257,210	130.34%	-170,587	-27.29%
Total Revenues	10,911,322	11,265,521	11,132,244	11,923,734	791,490	7.11%	658,213	5.84%
Operating Expenses								
Instruction	4,559,093	4,546,108	4,953,767	4,973,746	19,979	0.40%	427,638	9.41%
Research	0	0	0	2,460	2,460		2,460	
Public Service	1,138,587	1,213,961	713,878	1,143,170	429,292	60.14%	-70,791	-5.83%
Academic Support	555,088	545,146	520,147	606,173	86,026	16.54%	61,027	11.19%
Student Services	621,173	613,100	686,438	687,441	1,003	0.15%	74,341	12.13%
Institutional Support	2,686,708	2,695,563	2,728,575	2,691,234	-37,341	-1.37%	-4,329	-0.16%
Plant Maintenance	713,918	1,155,263	1,169,439	1,243,632	74,193	6.34%	88,369	7.65%
Scholarships	382,292	446,125	360,000	394,246	34,246	9.51%	-51,879	-11.63%
Total E&G Expenses	10,656,859	11,215,266	11,132,244	11,742,102	609,858	5.48%	526,836	4.70%
Auxiliary Enterprises	0		0		0		0	
Total Operating Expenses	10,656,859	11,215,266	11,132,244	11,742,102	609,858	5.48%	526,836	4.70%
Excess Revenue over Expenses	254,463	50,255	0	181,632	181,632		131,377	261.42%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	205,577	258,617	201,500	470,266	268,766	133.38%	211,649	81.84%
Borrowing Proceeds	-103,789	0	0	0	0		0	
Principal Payments	104,775	117,475	100,000	140,698	40,698	40.70%	23,223	19.77%
Prior Year Reserves		0	0	0	0		0	
Add back Depreciation	0	-469,715	-468,000	-478,424	-10,424	-2.23%	-8,709	-1.85%
Total Cash Items	206,563	-93,623	-166,500	132,540	299,040	179.60%	226,163	241.57%
Net Cash Basis Budget	47,900	143,878	166,500	49,092	-117,408	-70.52%	-94,786	-65.88%

Antioch New England Graduate School

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	10,911,322	11,265,521	11,132,244	11,923,734	791,490	7.11%	658,213	5.84%
Operating Expenses								
Salaries & Wages	5,687,265	5,424,769	5,641,859	5,683,050	41,191	0.73%	258,281	4.76%
Benefits	1,586,266	1,700,019	1,823,667	1,814,183	-9,484	-0.52%	114,164	6.72%
Training & Development	346,280	428,182	405,466	424,288	18,822	4.64%	-3,894	-0.91%
Student Aid Services	35,995	51,923	0	123,093	123,093		71,170	137.07%
Special Events	17,053	23,265	28,367	19,383	-8,984	-31.67%	-3,882	-16.69%
Supplies	164,729	142,990	172,044	164,265	-7,779	-4.52%	21,275	14.88%
Business Operations	1,103,715	1,146,513	889,624	1,212,763	323,139	36.32%	66,250	5.78%
Plant Maintenance	331,793	311,504	342,251	369,264	27,013	7.89%	57,760	18.54%
Interest Expense	439,155	429,495	420,944	424,149	3,205	0.76%	-5,346	-1.24%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	93,547	122,571	23,057	40,756	17,699	76.76%	-81,815	-66.75%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	95,156	0	-95,156	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	112,206	0	0	0	0		0	
Overhead								
To the University	1,049,392	900,834	743,325	743,325	0	0.00%	-157,509	-17.48%
Rebates from the University	-417,279	0	0	0	0		0	
Subsidy from Adult Campuses	59,800	-50	0	0	0		50	-100.00%
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	46,942	63,536	78,484	245,159	166,675	212.37%	181,623	285.86%
Depreciation	0	469,715	468,000	478,424	10,424	2.23%	8,709	1.85%
Total Operating Expenses	10,656,859	11,215,266	11,132,244	11,742,102	609,858	5.48%	526,836	4.70%
Excess Revenue over Expenses	254,463	50,255	0	181,632	181,632		131,377	261.42%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	205,577	258,617	201,500	470,266	268,766	133.38%	211,649	81.84%
Borrowing Proceeds	-103,789	0	0	0	0		0	
Principal Payments	104,775	117,475	100,000	140,698	40,698	40.70%	23,223	19.77%
Prior Year Reserves		0	0	0	0		0	
Add Back Depreciation	0	-469,715	-468,000	-478,424	-10,424	-2.23%	-8,709	-1.85%
Total Cash Items	206,563	-93,623	-166,500	132,540	299,040	179.60%	226,163	241.57%
Net Cash Basis Budget	47,900	143,878	166,500	49,092	-117,408	-70.52%	-94,786	-65.88%

ANTIOCH SEATTLE
2002-03 Year-End Review

GENERAL

Although revenues were substantially below budget in 2002-03, AUS was able to hold the line on expenses through budget cuts and delaying and freezing positions. The overall outcome was positive and AUS ended the year with a surplus of $123,783. When one adds in the year-end transfer to the capital reserve ($125,000), the result is an overall Net Total of $248,783.

REVENUES

Tuition and fee revenues were 5% higher than in the previous year, 2001-02, mainly because of tuition rate increases and higher than budgeted performance in the continuing education and certificate programs. Total revenues for 2002-03 were below budget by about $377,000 with enrollment shortfalls and lower than projected grant proceeds being the major contributors to the revenue deficit. The tuition revenue was $506,051 below the original budget, but release from restriction funds for the grants were $186,041 above the budgeted amount. Other revenue lines that were low include gifts and auxiliary enterprises (bookstore).

Total annualized FTUE enrollment was 846, or 8% lower than the budgeted 920 and lower than the 864 FTUE experienced in the previous year. The Undergraduate Completion program and the Center for Creative Change had the largest shortages, but all of the other academic programs were also below their tuition and fee revenue budgets. Continuing education was the only academic area that exceeded its budget. The enrollment shortfalls affected the Bookstore revenues as these also came in below budget, as did our use of Federal Work Study funds.

AUS operated two large grant programs for the Gates and Kellogg Foundations this year. Grant revenues were lower than anticipated this year, but expenses were correspondingly lower for a zero net effect on the bottom line.

EXPENSES

In both the Function and Category Reports, most of the areas showed less than budgeted expenses because of cost reductions in the face of reduced enrollments. Also, $225,000 budgeted in contingencies was not expended. Compared with 2001-02, overall expenses were higher because of the Gates and Kellogg Grant programs, general salary increases, transfer of surplus funds into the Capital Reserve, and increased facility maintenance, made possible by new professional and highly experienced staff for the entire year. However, though higher than the previous year, overall maintenance expenses were still below budget. Capital expenditures were higher than budgeted because of the start of the remodeling project to consolidate the Enrollment Services operations, but overall capital expenditures were less than in 2001-02 because of the substantial remodeling project that had been completed in the early part of that year.

Toni Murdock
President

Antioch Seattle

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	8,680,601	8,940,762	9,882,381	9,393,774	-488,607	-4.94%	453,012	5.07%
Less Tuition Discounts	-102,132	-126,416	-83,000	-100,444	-17,444	-21.02%	25,972	20.54%
Net Tuition and Fees	8,578,469	8,814,346	9,799,381	9,293,330	-506,051	-5.16%	478,984	5.43%
Gifts	35,136	25,283	40,000	13,727	-26,273	-65.68%	-11,556	-45.71%
Lead Gifts	0	0	0	0	0		0	
Grants	166,426	168,369	253,324	192,008	-61,316	-24.20%	23,639	14.04%
Endowment Income	0	0	0	0	0		0	
Contracts	972	10,528	0	0	0		-10,528	-100.00%
Realized Gains (Losses)	4,677	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	9,358	9,358		9,358	
Other Income	337,337	356,748	321,410	403,255	81,845	25.46%	46,507	13.04%
Total E&G Revenue	9,123,017	9,375,274	10,414,115	9,911,678	-502,437	-4.82%	536,404	5.72%
Auxiliary Enterprises	324,441	320,887	373,150	312,669	-60,481	-16.21%	-8,218	-2.56%
Released From Restrictions	7,752	33,812	343,287	529,328	186,041	54.19%	495,516	1465.50%
Total Revenues	9,455,210	9,729,973	11,130,552	10,753,675	-376,877	-3.39%	1,023,702	10.52%
Operating Expenses								
Instruction	3,966,527	4,040,474	4,384,319	4,105,257	-279,062	-6.37%	64,783	1.60%
Research	0	0	0	0	0		0	
Public Service	2,205	11,349	1,400	1,211	-189	-13.50%	-10,138	-89.33%
Academic Support	397,616	455,280	876,243	1,064,755	188,512	21.51%	609,475	133.87%
Student Services	812,972	832,393	927,662	864,175	-63,487	-6.84%	31,782	3.82%
Institutional Support	2,499,710	2,408,485	2,865,632	2,671,225	-194,407	-6.78%	262,740	10.91%
Plant Maintenance	839,451	1,308,452	1,463,306	1,399,365	-63,941	-4.37%	90,913	6.95%
Scholarships	164,959	167,808	251,174	205,057	-46,117	-18.36%	37,249	22.20%
Total E&G Expenses	8,683,440	9,224,241	10,769,736	10,311,045	-458,691	-4.26%	1,086,804	11.78%
Auxiliary Enterprises	338,345	312,574	360,816	318,847	-41,969	-11.63%	6,273	2.01%
Total Operating Expenses	9,021,785	9,536,815	11,130,552	10,629,892	-500,660	-4.50%	1,093,077	11.46%
Excess Revenue over Expenses	433,425	193,158	0	123,783	123,783		-69,375	-35.92%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	59,621	586,852	211,103	296,438	85,335	40.42%	-290,414	-49.49%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	130,000	140,000	155,000	155,000	0	0.00%	15,000	10.71%
Prior Year Reserves	0	-66,869	0	0	0		66,869	100.00%
Add back Depreciation	0	-466,825	-466,103	-463,304	2,799	0.60%	3,521	0.75%
Total Cash Items	189,621	193,158	-100,000	-11,866	88,134	88.13%	-205,024	-106.14%
Net Cash Basis Budget	243,804	0	100,000	135,649	35,649	35.65%	135,649	

Antioch Seattle

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	9,455,210	9,729,973	11,130,552	10,753,675	-376,877	-3.39%	1,023,702	10.52%
Operating Expenses								
Salaries & Wages	4,694,477	5,021,503	5,666,169	5,322,489	-343,680	-6.07%	300,986	5.99%
Benefits	1,102,172	1,246,151	1,434,140	1,348,841	-85,299	-5.95%	102,690	8.24%
Training & Development	252,061	104,930	229,940	196,864	-33,076	-14.38%	91,934	87.61%
Student Aid Services	55,801	48,759	46,272	56,447	10,175	21.99%	7,688	15.77%
Special Events	48,768	45,319	42,900	46,877	3,977	9.27%	1,558	3.44%
Supplies	132,036	119,795	135,414	196,085	60,671	44.80%	76,290	63.68%
Business Operations	670,537	539,077	670,698	769,653	98,955	14.75%	230,576	42.77%
Plant Maintenance	272,633	282,181	394,707	325,994	-68,713	-17.41%	43,813	15.53%
Interest Expense	602,203	590,972	585,018	581,120	-3,898	-0.67%	-9,852	-1.67%
Resale Costs	260,198	230,379	276,000	232,908	-43,092	-15.61%	2,529	1.10%
Miscellaneous	15,992	17,211	219,298	181,534	-37,764	-17.22%	164,323	954.76%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	105,061	0	-105,061	-100.00%	0	
Campus Program Contingency, Discretionary	50,000	0	119,772	0	-119,772	-100.00%	0	
Capital Reserve	118,014	0	0	125,000	125,000		125,000	
Overhead								
To the University	1,081,792	823,663	739,060	739,060	0	0.00%	-84,603	-10.27%
Rebates from the University	-393,379	0	0	0	0		0	
Subsidy from Adult Campuses	50,800	50	0	0	0		-50	-100.00%
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	7,680	0	0	43,716	43,716		43,716	
Depreciation	0	466,825	466,103	463,304	-2,799	-0.60%	-3,521	-0.75%
Total Operating Expenses	9,021,785	9,536,815	11,130,552	10,629,892	-500,660	-4.50%	1,093,077	11.46%
Excess Revenue over Expenses	433,425	193,158	0	123,783	123,783		-69,375	-35.92%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	59,621	586,852	211,103	296,438	85,335	40.42%	-290,414	-49.49%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	130,000	140,000	155,000	155,000	0	0.00%	15,000	10.71%
Prior Year Reserves	0	-66,869	0	0	0		66,869	100.00%
Add Back Depreciation	0	-466,825	-466,103	-463,304	2,799	0.60%	3,521	0.75%
Total Cash Items	189,621	193,158	-100,000	-11,866	88,134	88.13%	-205,024	-106.14%
Net Cash Basis Budget	243,804	0	100,000	135,649	35,649	35.65%	135,649	

ANTIOCH SOUTHERN CALIFORNIA
2002-03 Year-End Review

We are proud (and fortunate) to end another year with a record surplus. We are also pleased that this allowed us to allocate an amount of $300,000 to a Capital Development Fund. While this is not as large as the amount we requested ($500,000), this is a very positive outcome. We intend to use this money to meet our capital needs, particularly the imminent costs of leasehold improvements and furniture due to the relocation of the LA campus. We were also able to spend an amount of $398,097 on capital items during this year. Some critical needs in the educational resource area were met through acquisition of books, videos and tests with an outlay of about $25,000.

We have been engaged in an active search for a new location for the Los Angeles campus with an aim to acquire/rent a property within a 5-10 mile radius of the current location in the Marina. A potential site has been selected and we are in the process of negotiating a 10-year lease. In anticipation of a favorable outcome, and given our desire to relocate in April 2004, we have already commenced space planning and design of the premises.

Operating Revenues

Enrollments came in over projections in aggregate for the two campuses and accounted for actual tuition and fee revenue to exceed the budget by $429,310. With the drop in grant revenue, we exceeded our total revenue target by $327,717.

Operating Expenses

The institution of spending controls university-wide and a vigilant monitoring system of expenditures on our part continued to keep costs in check.

There were significant savings in fringe benefit costs of about $290,000; we were very conservative and had put aside larger amounts for medical and worker's compensation. We also had significant reductions in Training and Development and Business Operations costs caused by lower expenses across these categories including costs for travel, consulting, printing and purchased services.

Our depreciation costs were over the budget by $29,000. This was due to additions made to our equipment during the year that increased our depreciable asset base.

We ended the year with expenses being under budget by $171,989. This total includes the capital development fund allocation of $300,000 as a cost.

Capital Expenses

Capital expenses were significantly higher than the budgeted amount (about $270,000) due to essential technology and infrastructure upgrades at both campuses, including servers, the network and the upgrade of the phone systems at both campuses with the purchase of a telephone switch and peripheral equipment, as well as the purchase of some much-needed furniture for classrooms.

Summary

As a region we again did very well during the year and all faculty and staff deserve credit. A number of needs, including the need to strengthen our computing infrastructure and upgrade equipment and software in the computer labs and on staff desk-tops were met. We filled a number of vacant positions. We have been prudent after last year's surprise in terms of being overspent by a large amount on fringe benefit costs, to provide more for this item. Good efforts notwithstanding, it is hard to project enrollments with a high degree of accuracy and it is fortunate that we have ended this fiscal period on a positive note.

LucyAnn Geiselman
President

Antioch Southern California

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	9,841,415	10,911,863	11,492,460	11,922,045	429,585	3.74%	1,010,182	9.26%
Less Tuition Discounts	-226,300	-138,077	-130,500	-130,775	-275	-0.21%	7,302	5.29%
Net Tuition and Fees	9,615,115	10,773,786	11,361,960	11,791,270	429,310	3.78%	1,017,484	9.44%
Gifts	72,750	66,140	40,000	69,332	29,332	73.33%	3,192	4.83%
Lead Gifts	0	0	0	0	0		0	
Grants	176,545	161,096	335,565	187,289	-148,276	-44.19%	26,193	16.26%
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	861	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	6,939	6,939		6,939	
Other Income	44,532	58,820	14,800	73,860	59,060	399.05%	15,040	25.57%
Total E&G Revenue	9,909,803	11,059,842	11,752,325	12,128,690	376,365	3.20%	1,068,848	9.66%
Auxiliary Enterprises	205,094	221,936	230,000	222,824	-7,176	-3.12%	888	0.40%
Released From Restrictions	220,117	281,039	204,994	163,522	-41,472	-20.23%	-117,517	-41.82%
Total Revenues	10,335,014	11,562,817	12,187,319	12,515,036	327,717	2.69%	952,219	8.24%
Operating Expenses								
Instruction	3,678,235	4,071,614	4,497,383	4,383,828	-113,555	-2.52%	312,214	7.67%
Research	8,600	0	0	0	0		0	
Public Service	135,065	187,992	171,637	217,236	45,599	26.57%	29,244	15.56%
Academic Support	763,295	800,161	756,010	731,416	-24,594	-3.25%	-68,745	-8.59%
Student Services	1,149,385	1,175,431	1,310,554	1,254,831	-55,723	-4.25%	79,400	6.75%
Institutional Support	2,656,476	2,687,876	3,238,870	3,211,535	-27,335	-0.84%	523,659	19.48%
Plant Maintenance	1,381,125	1,493,430	1,679,328	1,702,950	23,622	1.41%	209,520	14.03%
Scholarships	179,729	170,029	254,477	198,389	-56,088	-22.04%	28,360	16.68%
Total E&G Expenses	9,951,910	10,586,533	11,908,259	11,700,185	-208,074	-1.75%	1,113,652	10.52%
Auxiliary Enterprises	252,810	249,114	223,960	260,045	36,085	16.11%	10,931	4.39%
Total Operating Expenses	10,204,720	10,835,647	12,132,219	11,960,230	-171,989	-1.42%	1,124,583	10.38%
Excess Revenue over Expenses	130,294	727,170	55,100	554,806	499,706	906.91%	-172,364	-23.70%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	127,469	244,852	128,600	398,097	269,497	209.56%	153,245	62.59%
Borrowing Proceeds	-100,302	0	0	0	0		0	
Principal Payments	8,513	22,070	0	23,985	23,985		1,915	8.68%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-115,138	-100,577	-130,030	-29,453	-29.28%	-14,892	-12.93%
Total Cash Items	35,680	151,784	28,023	292,052	264,029	942.19%	140,268	92.41%
Net Cash Basis Budget	94,614	575,386	27,077	262,754	235,677	870.40%	-312,632	-54.33%

Antioch Southern California

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	10,335,014	11,562,817	12,187,319	12,515,036	327,717	2.69%	952,219	8.24%
Operating Expenses								
Salaries & Wages	4,942,445	5,247,542	5,586,287	5,469,714	-116,573	-2.09%	222,172	4.23%
Benefits	1,119,519	1,428,487	1,745,283	1,452,345	-292,938	-16.78%	23,858	1.67%
Training & Development	169,353	156,194	331,165	275,926	-55,239	-16.68%	119,732	76.66%
Student Aid Services	65,712	71,223	59,192	68,854	9,662	16.32%	-2,369	-3.33%
Special Events	30,307	44,195	37,860	52,674	14,814	39.13%	8,479	19.19%
Supplies	232,762	299,912	232,090	369,453	137,363	59.19%	69,541	23.19%
Business Operations	1,083,096	935,281	1,204,287	1,171,314	-32,973	-2.74%	236,033	25.24%
Plant Maintenance	1,338,962	1,365,064	1,514,775	1,508,137	-6,638	-0.44%	143,073	10.48%
Interest Expense	54,563	39,205	39,450	66,686	27,236	69.04%	27,481	70.10%
Resale Costs	208,759	203,503	180,500	220,462	39,962	22.14%	16,959	8.33%
Miscellaneous	1,954	23,366	20,000	20,928	928	4.64%	-2,438	-10.43%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	116,543	0	-116,543	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	100,585	1,000	-99,585	-99.01%	1,000	
Capital Reserve	110,894	0	0	300,000	300,000		300,000	
Overhead								
To the University	1,219,832	900,000	843,660	843,660	0	0.00%	-56,340	-6.26%
Rebates from the University	-440,779	0	0	0	0		0	
Subsidy from Adult Campuses	55,200	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	12,141	6,537	19,965	9,047	-10,918	-54.69%	2,510	38.40%
Depreciation	0	115,138	100,577	130,030	29,453	29.28%	14,892	12.93%
Total Operating Expenses	10,204,720	10,835,647	12,132,219	11,960,230	-171,989	-1.42%	1,124,583	10.38%
Excess Revenue over Expenses	130,294	727,170	55,100	554,806	499,706	906.91%	-172,364	-23.70%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	127,469	244,852	128,600	398,097	269,497	209.56%	153,245	62.59%
Borrowing Proceeds	-100,302	0	0	0	0		0	
Principal Payments	8,513	22,070	0	23,985	23,985		1,915	8.68%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-115,138	-100,577	-130,030	-29,453	-29.28%	-14,892	-12.93%
Total Cash Items	35,680	151,784	28,023	292,052	264,029	942.19%	140,268	92.41%
Net Cash Basis Budget	94,614	575,386	27,077	262,754	235,677	870.40%	-312,632	-54.33%

ANTIOCH UNIVERSITY McGREGOR
2002-03 Year-End Review

Fiscal year 2002-03 was a very successful year for Antioch University McGregor. Confluences of circumstances helped us reach fiscal stability and begin a pattern of growth. They include, but are not limited to – strong faculty and credibility of programs, increased marketing, refinement of targeted marketing, increased presence locally and nationally at appropriate events and meetings, an economy that brings about the need for re-tooling, retraining and more education, sound fiscal management by budget managers, external advice from an exemplary Board of Visitors and consultants and mostly, word-of-mouth from satisfied students. We celebrated this success with our first graduation ceremony at the new Schuster Performing Arts Center with the largest graduating class in our history.

Revenue

- After our programs went to *licensure*, in a one time move, we took 22 *certification* students through to master's degrees.
- We accepted 22 M.Ed. students over budget.
- We provided classes to students sent to us via the grant with Springfield City Schools.
- Our excess revenue over expenses at the end of 2002-03 was $397,884. See below for total expenditures enabled by total revenue over expenses.

<u>Revenue over Expenditures: How We Spent the Money</u>

Expenses

- A mid-year increase in the base salary for all faculty for an annual change of $5,000.
- Considerable improvements to classroom facilities located in the Kettering Building.
- Upgrades and addition of offices in the Sontag-Fels Building.
- Early payback of the outstanding Ohio Bond (transfer of debt and funds to Antioch College to enable them to purchase technology; off the "books" now for McGregor, approximately $210,000). This is a strong example of how

McGregor enables/encourages fiscal health of the College. We also gave outright $10,000 toward the College's implementation of the First Class e-mail software.

- Hiring of academic consultants to begin a strategic planning process.
- Establishment of capital reserve.
- Videotaping for The Discovery Channel program, *Champions of Industry* (airing October 21 at 7:00 am Eastern and Pacific).
- One notable expense saving during academic year 2002-03 was in the area of Instruction. Because a number of budgeted new faculty hires were either delayed or not filled at all during the year, the Instruction cost center was $33,354 under budget. This is in spite of approximately $100,000 spent to give faculty across-the-board salary increases beginning in mid-year.

General Observations

- Salary adjustments, facilities upgrades and good enrollment boosts morale. Success breeds success.
- Community relations and the McGregor "branding" are improving each year.
- The academic consultants provided a good beginning to reviewing all programs and structure, while offering appropriate outside "insight" and credibility.
- One-stop shopping in Student and Alumni Services helps improve customer service.
- The Education programs are skyrocketing in enrollment; this will likely represent a 3-5 year cycle.
- Facilities and service concerns remain central to the future of McGregor and our success.
- Support from the Chancellor, The Board of Trustees and the McGregor Advisory Board make all the difference.
- We began movement to a bridge between full time faculty and adjuncts – developing a cadre of "associate faculty" for Education.

Summary

As you will see from the current fiscal year, we have no intention of assuming continuing success without a lot of work, program review and reinvigoration, facilities improvements, attention to salaries and a continuous presence as a player within our community. We want to extend our appreciation to Glenn Watts, Rosalie Sturtevant and other University administrators for their support during this year.

Barbara Gellman-Danley
President

Antioch University McGregor

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	4,960,989	5,097,582	5,578,243	6,136,832	558,589	10.01%	1,039,250	20.39%
Less Tuition Discounts	-65,319	-76,339	0	-849	-849		75,490	98.89%
Net Tuition and Fees	4,895,670	5,021,243	5,578,243	6,135,983	557,740	10.00%	1,114,740	22.20%
Gifts	36,311	39,584	80,000	21,714	-58,286	-72.86%	-17,870	-45.14%
Lead Gifts	0	0	0	0	0		0	
Grants	24,532	59,075	14,000	109,414	95,414	681.53%	50,339	85.21%
Endowment income	0	0	0	0	0		0	
Contracts	144,448	49,379	0	45,286	45,286		-4,093	-8.29%
Realized Gains (Losses)	4,740	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	4,284	4,284		4,284	
Other Income	32,929	14,208	16,050	10,007	-6,043	-37.65%	-4,201	-29.57%
Total E&G Revenue	5,138,630	5,183,489	5,688,293	6,326,688	638,395	11.22%	1,143,199	22.05%
Auxiliary Enterprises	10,380	0	0	0	0		0	
Released From Restrictions	19,839	40,807	0	-11,324	-11,324		-52,131	-127.75%
Total Revenues	5,168,849	5,224,296	5,688,293	6,315,364	627,071	11.02%	1,091,068	20.88%
Operating Expenses								
Instruction	2,110,070	2,547,443	2,945,393	2,912,039	-33,354	-1.13%	364,596	14.31%
Research	0	0	0	0	0		0	
Public Service	123,836	2,828	0	0	0		-2,828	-100.00%
Academic Support	149,985	128,942	20,000	47,733	27,733	138.67%	-81,209	-62.98%
Student Services	657,293	718,723	832,044	891,046	59,002	7.09%	172,323	23.98%
Institutional Support	1,993,463	1,541,854	1,591,248	1,708,956	117,708	7.40%	167,102	10.84%
Plant Maintenance	102,140	270,418	285,608	339,208	53,600	18.77%	68,790	25.44%
Scholarships	14,470	13,597	14,000	18,498	4,498	32.13%	4,901	36.04%
Total E&G Expenses	5,151,257	5,223,805	5,688,293	5,917,480	229,187	4.03%	693,675	13.28%
Auxiliary Enterprises	5,000	0	0	0	0		0	
Total Operating Expenses	5,156,257	5,223,805	5,688,293	5,917,480	229,187	4.03%	693,675	13.28%
Excess Revenue over Expenses	12,592	491	0	397,884	397,884		397,393	80935.44%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	163,594	277,120	99,550	408,579	309,029	310.43%	131,459	47.44%
Borrowing Proceeds	-163,594	-45,065	0	-44,534	-44,534		531	1.18%
Principal Payments	0	16,818	18,445	238,212	219,767	1191.47%	221,394	1316.41%
Prior Year Reserves	0	-52,253	0	0	0		52,253	100.00%
Add back Depreciation	0	-166,076	-156,830	-204,936	-48,106	30.67%	-38,860	-23.40%
Total Cash Items	0	30,544	-38,835	397,321	436,156	1123.10%	366,777	1200.82%
Net Cash Basis Budget	12,592	-30,053	38,835	563	-38,272	-98.55%	30,616	101.87%

Antioch University McGregor

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	%	Change From 2001-02 Actual to 2002-03 Actual $	%
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Revenues	5,168,849	5,224,296	5,688,293	6,315,364	627,071	11.02%	1,091,068	20.88%
Operating Expenses								
Salaries & Wages	2,579,702	2,743,441	2,901,234	2,968,056	66,822	2.30%	224,615	8.19%
Benefits	717,394	957,250	920,119	943,021	22,902	2.49%	-14,229	-1.49%
Training & Development	82,044	61,015	131,493	105,837	-25,656	-19.51%	44,822	73.46%
Student Aid Services	32,698	90,650	150,099	145,945	-4,154	-2.77%	55,295	61.00%
Special Events	46,513	25,433	33,968	26,818	-7,150	-21.05%	1,385	5.45%
Supplies	58,769	60,167	58,790	95,513	36,723	62.46%	35,346	58.75%
Business Operations	656,491	562,598	685,369	700,307	14,938	2.18%	137,709	24.48%
Plant Maintenance	107,050	116,831	28,336	64,081	35,745	126.15%	-52,750	-45.15%
Interest Expense	36,844	25,239	21,740	17,338	-4,402	-20.25%	-7,901	-31.30%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	11,305	64,954	7,983	9,039	1,056	13.23%	-55,915	-86.08%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	56,493	0	-56,493	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Capital Reserve	58,601	0	0	100,000	100,000		100,000	
Overhead								
To the University	638,708	500,000	412,061	412,061	0	0.00%	-87,939	-17.59%
Rebates from the University	-232,258	0	0	0	0		0	
Subsidy from Adult Campuses	34,200	0	0	0	0		0	
Subsidy from Overhead	0	-150,000	0	0	0		150,000	100.00%
Other (Intercampus Agree & Univ Conf)	328,196	151	123,778	124,528	750	0.61%	124,377	82368.87%
Depreciation	0	166,076	156,830	204,936	48,106	30.67%	38,860	23.40%
Total Operating Expenses	5,156,257	5,223,805	5,688,293	5,917,480	229,187	4.03%	693,675	13.28%
Excess Revenue over Expenses	12,592	491	0	397,884	397,884		397,393	80935.44%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	163,594	277,120	99,550	408,579	309,029	310.43%	131,459	47.44%
Borrowing Proceeds	-163,594	-45,065	0	-44,534	-44,534		531	1.18%
Principal Payments	0	16,818	18,445	238,212	219,767	1191.47%	221,394	1316.41%
Prior Year Reserves	0	-52,253	0	0	0		52,253	100.00%
Add Back Depreciation	0	-166,076	-156,830	-204,936	-48,106	-30.67%	-38,860	-23.40%
Total Cash Items	0	30,544	-38,835	397,321	436,156	1123.10%	366,777	1200.82%
Net Cash Basis Budget	12,592	-30,053	38,835	563	-38,272	-98.55%	30,616	101.87%

Ph.D. in Leadership & Change
2002-03 Year-End Review

A. Major Program Highlights:

This 2002-03 year is the first full year of operations. The program work of this year was entirely funded by tuition income, as well as several small grants that were secured to support outreach activities. It has been a very successful year with many positive events and achievements:

- The North Central Association (NCA) review of the PhD Program occurred as part of the University's re-accreditation site visit (October 2003). We are pleased that the NCA review team considered the Ph.D. in Leadership & Change Program to be "exemplary" and a demonstration of "innovative practice" that reflects the spirit of Antioch at its best.
- A national search was conducted for several more Core Faculty and, as a result, three more nationally recognized faculty have been hired, two at full-time, and one at half-time. A significant amount of work was done on designing the distinctive faculty roles and responsibilities. Comprehensive faculty policies and evaluation methods were articulated in a complete *Faculty Handbook 2002-2004*.
- In 2002-03, we admitted a second cohort of 27 students, and retained the 11 from the first Cohort.
- Budgets (income and expenses) were met and, in fact, tuition-generated income exceeded projections.
- The curriculum continued to evolve. Four intensive residencies were held during the year, one at Antioch College/McGregor, one in Seattle, one at Antioch New England, and one at Antioch Los Angeles.
- Systems have been put in place to monitor student learning regularly and through multiple methods, and program quality is continually assessed.

- The first annual all-faculty review of every student's academic progress was completed in April.

- Specially designed registrarial, financial and student account systems have been created and have functioned effectively. Student evaluations of program services are available upon request and indicate excellent ratings.

- The Antioch New England graduate research library support has been established and has met with rave reviews from the students and faculty. The Program pays Antioch New England for library support, including acquisitions and librarian research for faculty and students. In addition, the Antioch New England Doctoral Reference Librarian attends every residency and offers sessions as well as one-on-one support for students. Student evaluations of library services are available upon request.

- The program's outreach arm, the Leadership Institute, has been established and we have secured our first two grants: a $90,000 two-year grant to support community youth leadership development in Pennsylvania, and a $40,000 two-year grant to evaluate community mental health services in Santa Barbara County.

B. Financial Detail – Revenue & Major Expenditures

Income: Tuition & Fees

We had projected $598,250 tuition-generated income, and actually brought in $622,825, representing a 512% change over 2001-02. Including other income, from gifts and grants, we actually had total revenue of $687,523.

Major Expenditures

We had projected operating expenses of $592,750 and actually spent $659,424. Given the additional revenue over projection, we actually ended the year with $28,099 excess revenue over expenses.

The largest expenses in this program were salaries ($330,717 + $107,349 in benefits), Travel ($65,656), followed distantly by Advertising ($17,592), Telecommunications ($15,492), and Subscriptions ($15,000). These expenses make sense given that the entire program (faculty/staff) travel to at least four residencies each year plus other faculty meetings, including two face-to-face retreats. In addition, the telecommunications costs cover biweekly conference calls, all the home office communications costs, as well as basic plans for cell phones for our mobile faculty.

The only expense line that was significantly over projection was the travel line, which had been budgeted at $40,000. Most other expenses were reasonably close to projections, with several lines actually closing considerably underspent, including local meetings (because we did not hold an advisory board meeting), consulting services, and postage.

Laurien Alexandre
Director

PhD in Leadership and Change

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees		101,700	598,250	622,825	24,575	4.11%	521,125	512.41%
Less Tuition Discounts		-7,500	-5,500	-5,500	0	0.00%	2,000	26.67%
Net Tuition and Fees		94,200	592,750	617,325	24,575	4.15%	523,125	555.33%
Gifts		0	0	0	0		0	
Lead Gifts		0	0	0	0		0	
Grants		0	0	57,062	57,062		57,062	
Endowment Income		0	0	0	0		0	
Contracts		0	0	0	0		0	
Realized Gains (Losses)		0	0	0	0		0	
Unrealized Gains (Losses)		0	0	45	45		45	
Other Income		0	0	3,581	3,581		3,581	
Total E&G Revenue		94,200	592,750	678,013	85,263	14.38%	583,813	619.76%
Auxiliary Enterprises		0	0	0	0		0	
Released From Restrictions		126,972	0	9,510	9,510		-117,462	-92.51%
Total Revenues		221,172	592,750	687,523	94,773	15.99%	466,351	210.85%
Operating Expenses								
Instruction		217,156	592,750	593,654	904	0.15%	376,498	173.38%
Research		0	0	0	0		0	
Public Service		0	0	63,065	63,065		63,065	
Academic Support		0	0	0	0		0	
Student Services		0	0	0	0		0	
Institutional Support		0	0	0	0		0	
Plant Maintenance		3,117	0	2,705	2,705		-412	-13.22%
Scholarships		0	0	0	0		0	
Total E&G Expenses		220,273	592,750	659,424	66,674	11.25%	439,151	199.37%
Auxiliary Enterprises		0	0	0	0		0	
Total Operating Expenses		220,273	592,750	659,424	66,674	11.25%	439,151	199.37%
Excess Revenue over Expenses		899	0	28,099	28,099		27,200	3025.58%
Annual Budget Conversion to Cash Basis								
Capital Expenditures		900	0	11,509	11,509		10,609	1178.78%
Borrowing Proceeds		0	0	0	0		0	
Principal Payments		0	0	0	0		0	
Prior Year Reserves		0	0	0	0		0	
Add back Depreciation		-3,117	-2,964	-2,705	259	8.74%	412	13.22%
Total Cash Items		-2,217	-2,964	8,804	11,768	397.03%	11,021	497.11%
Net Cash Basis Budget		3,116	2,964	19,295	16,331	550.98%	16,179	519.22%

PhD in Leadership and Change

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues		221,172	592,750	687,523	94,773	15.99%	466,351	210.85%
Operating Expenses								
Salaries & Wages		103,330	302,088	330,717	28,629	9.48%	227,387	220.06%
Benefits		30,209	107,509	107,349	-160	-0.15%	77,140	255.35%
Training & Development		27,413	70,500	86,003	15,503	21.99%	58,590	213.73%
Student Aid Services		0	0	0	0		0	
Special Events		0	0	0	0		0	
Supplies		2,868	4,689	12,463	7,774	165.79%	9,595	334.55%
Business Operations		38,496	96,000	101,706	5,706	5.94%	63,210	164.20%
Plant Maintenance		12,445	2,000	8,717	6,717	335.85%	-3,728	-29.96%
Interest Expense		145	1,000	534	-466	-46.60%	389	268.28%
Resale Costs		0	0	0	0		0	
Miscellaneous		0	0	2,100	2,100		2,100	
Contingency/Reserves								
Campus Contingency, Mandatory		0	0	0	0		0	
Campus Program Contingency, Discretionary		0	0	0	0		0	
Liquidity Reserve		0	0	0	0		0	
Overhead								
To the University		0	0	0	0		0	
Rebates from the University		0	0	0	0		0	
Subsidy from Adult Campuses		0	0	0	0		0	
Subsidy from Overhead		0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)		2,250	6,000	7,130	1,130	18.83%	4,880	216.89%
Depreciation		3,117	2,964	2,705	-259	-8.74%	-412	-13.22%
Total Operating Expenses		220,273	592,750	659,424	66,674	11.25%	439,151	199.37%
Excess Revenue over Expenses		899	0	28,099	28,099		27,200	3025.58%
Annual Budget Conversion to Cash Basis								
Capital Expenditures		900	0	11,509	11,509		10,609	1178.78%
Borrowing Proceeds		0	0	0	0		0	
Principal Payments		0	0	0	0		0	
Prior Year Reserves		0	0	0	0		0	
Add Back Depreciation		-3,117	-2,964	-2,705	259	8.74%	412	13.22%
Total Cash Items		-2,217	-2,964	8,804	11,768	397.03%	11,021	497.11%
Net Cash Basis Budget		3,116	2,964	19,295	16,331	550.98%	16,179	519.22%

ANTIOCH UNIVERSITY ADMINISTRATION
2002-03 Year-End Review

The successful search for a new President of Antioch University Southern California occupied much of the Chancellor's time during 2002-03. Not only was he directly involved in the search process, but he made many trips to the campuses in order to monitor important events including the identification of a new facility for the Los Angeles campus.

Perhaps the most time-consuming task of the year was completing the preparation for the NCA accreditation review and then engaging the review team as it visited each of the University's campuses. The review team was larger than ordinarily expected and individuals from the other accreditation regions were added to the team for visits to the campuses outside of the North Central area. The entire process was made more difficult by delays that originated with North Central and the uncertainties surrounding the process made the enterprise much more difficult. Fortunately, the overall result was positive as our accreditation was extended for ten years, although a follow-up visitation means that the work is not yet complete.

Work on preparation for the Capital Campaign continued during the year with several meetings of the Development Committee and additional meetings with perspective donors. Training sessions were planned and held to acquaint Trustees with the best techniques for approaching donors, and key positions in the College Development Office were filled. A serious auto accident involving the new Development Director disrupted the schedule for bringing the College development office to full readiness for the Campaign, but efforts are underway to recapture the lost time.

During the year, a major policy document for the development function was prepared and approved by the Board of Trustees. This policy sets out the principles that govern the way in which the University will solicit funds and how the funds will be reported. It represents a major step in formalizing the way in which our eleemosynary functions are conducted.

A number of physical plant improvements involving University facilities were accomplished during 2002-03. The paving of the Kettering parking lot, a project that has been deferred for financial reasons for three years was finally accomplished at the end of 2002-03. The lot, which was in serious disrepair, created a negative impression for the many McGregor students who attend class in the Kettering Building. In addition to the paving, lighting was added to assure the personal safety of students attending evening classes during the dark winter months.

Three major electrical transformers that were located inside of the Kettering Building were removed and replaced by transformers located outside of the building. Although these transformers no longer contained PCBs, they were part of the original construction and because of their age were becoming a fire hazard.

During the year, an effort was made to find private parties who would assume responsibility for the preservation of the Grinnell Mill. The Mill is one of the oldest buildings in Greene County and its location on the edge of Glen Helen made it a responsibility of the University. We met several times with an individual who expressed interest in renovation of the Mill and several attempts were made to develop a lease for the property that would assure its renovation. These negotiations continued into the current fiscal year, but ultimately failed.

Concern over the budget deficits at WYSO, and the campaign by a group of individuals unhappy over the program changes that were made two years ago required additional time and effort. The Chancellor met with the WYSO Resource Board on several occasions and also held meetings with the group that opposed the change in programming. Despite the investment of considerable time and effort, reconciliation has not been possible.

Work with the Investment Committee focused on ways to increase returns in a bear market. After considerable discussion, the Investment Policies were amended to permit a limited range of alternative investments. As a result, a hedge fund manager, K2, was identified and selected to handle a portion of the endowment fund. A second hedge fund manager was identified, but ultimately rejected by the Committee because of concern about the restrictive nature of the investment contract.

The collective bargaining contract with the McGregor union was successfully negotiated and work began to prepare for negotiations with the College unions.

The annual review of property and liability insurance was conducted leading to a decision to change carriers for the liability coverage. Better service, closer coordination with the University attorney, and lower premiums were the result.

A review of the financial summary schedules shows that nearly all of the revenue for the University Administration is provided by the campuses. For this reason, the Chancellor is particularly sensitive to growth in the Administration and has made every effort to limit expenses. Total 2002-03 operating expenses were $27,000 (1.6%) greater than budget, but $166,925 (8.9%) **less** than in the prior year. Expenditures in 2002-03 mark the third consecutive year in which expenses have been reduced from the prior year.

The University Administration ended the year with a positive accrual balance of $22,849.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

University Administration

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	0	0	0	0	0		0	
Gifts	121,500	13,769	10,000	13,478	3,478	34.78%	-291	-2.11%
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	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	-494	0	0	0	0		0	
Total E&G Revenue	121,006	13,769	10,000	13,478	3,478	34.78%	-291	-2.11%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	0	0	0	0	0		0	
Total Revenues	121,006	13,769	10,000	13,478	3,478	34.78%	-291	-2.11%
Net Overhead for Central Operations	1,932,369	1,861,605	1,663,910	1,710,624	46,714	2.81%	-221,745	-11.48%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	0	0	0	0	0		0	
Academic Support	0	0	0	0	0		0	
Student Services	104,608	94,938	101,031	100,093	-938	-0.93%	5,155	5.43%
Institutional Support	1,894,655	1,773,240	1,572,879	1,601,160	28,281	1.80%	-172,080	-9.70%
Plant Maintenance	0	0	0	0	0		0	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	1,999,263	1,868,178	1,673,910	1,701,253	27,343	1.63%	-166,925	-8.94%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	1,999,263	1,868,178	1,673,910	1,701,253	27,343	1.63%	-166,925	-8.94%
Excess Revenue over Expenses	54,112	7,196	0	22,849	22,849		15,653	217.52%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	54,112	7,196	0	22,849	22,849		15,653	217.52%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	0	0	0		0	
Total Cash Items	54,112	7,196	0	22,849	22,849		15,653	217.52%
Net Cash Basis Budget	0	0	0	0	0		0	

University Administration

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
	--------	--------	--------	--------	--------	--------	--------	--------
Revenues	2,053,375	1,875,374	1,673,910	1,724,102	50,192	3.00%	-151,272	-8.07%
Operating Expenses								
Salaries & Wages	1,053,673	1,080,425	895,698	933,234	37,536	4.19%	-147,191	-13.62%
Benefits	326,301	361,024	348,871	363,698	14,827	4.25%	2,674	0.74%
Training & Development	177,555	141,002	102,200	104,841	2,641	2.58%	-36,161	-25.65%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	131	0	5,653	5,653		5,522	4215.27%
Supplies	43,447	22,862	38,165	22,474	-15,691	-41.11%	-388	-1.70%
Business Operations	226,540	98,298	92,048	105,718	13,670	14.85%	7,420	7.55%
Plant Maintenance	161,725	156,838	169,828	163,852	-5,976	-3.52%	7,014	4.47%
Interest Expense	4	282	300	4	-296	-98.67%	-278	-98.58%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	5,462	7,316	1,800	1,779	-21	-1.17%	-5,537	-75.68%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	25,000	0	-25,000	-100.00%	0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	4,556	0	0	0	0		0	
Depreciation	0	0	0	0	0		0	
Total Operating Expenses	1,999,263	1,868,178	1,673,910	1,701,253	27,343	1.63%	-166,925	-8.94%
Excess Revenue over Expenses	54,112	7,196	0	22,849	22,849		15,653	217.52%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	54,112	7,196	0	22,849	22,849		15,653	217.52%
Borrowing Proceeds	0		0		0		0	
Principal Payments	0		0		0		0	
Prior Year Reserves	0		0		0		0	
Add Back Depreciation	0		0		0		0	
Total Cash Items	54,112	7,196	0	22,849	22,849		15,653	217.52%
Net Cash Basis Budget	0	0	0	0	0		0	

ANTIOCH REVIEW
2002-03 Year-End Review

The Review ended the year with an anticipated deficit and unanticipated national recognition with the PEN/American's Center's Nora Magid Award for career achievement given to Robert S. Fogarty at a ceremony at Lincoln Center in New York. The award is made every two years to a "magazine editor whose high literary standards have contributed to the excellence of a literary journal or general-interest magazine. " The two other life achievement awards went to Donald Keene, the translator and John Guare, the playwright.

This award highlights the lead position that the Review occupies in the literary world. The citation awarded said: "Found in libraries from Delhi to Dresden, Dublin to Dubuque, Boston to Beijing, the Antioch Review embodies both the continuing vitality of the literary magazine as a species and the humanistic interests for which the journal stands. Since 1977 that charge has been brilliantly led by Robert Fogarty, whose tireless editorial commitment supports the widely-held suspicion that the secret center of American publishing is in fact Ohio."

The editor attended the BookExpo meeting in Los Angeles, a CLMP seminar on distribution in New York and was the keynote speaker at the Philadelphia Writers Conference. One essay and one story were included in the 2003 Pushcart Awards, a short story author found her work included in a new "best" anthology, the Silver Rose Anthology, and a poet of ours was included in the Best American Poetry 2002.

Audio recordings of the magazine are now available through the Cincinnati Regional Library for the Blind and complement our arrangement with the Choice Magazine Listening service that provides literary material free to the blind. We increased the number of pages for the magazine in order to provide more space for writers, but also to make us more competitive with other more heavily subsidized magazines. We have seen some early success with this strategy as the "pass-through" rate at our bookstores has increased. Although total sales are down because of a reduced draw from our distributors, the percentage of sales has increased. We will be increasing our subscription rate with the winter issue in order to generate more revenue and to pay for the increased size of the book.

Our audience is national and international and over the past year we have increased the number of works published in translation, an important contribution literary magazines make to our international culture. We see this as part of our educational mission. Over the next few years we hope to see the magazine distributed more widely overseas (we have a large international library base through Blackwells) although that is a daunting project. Over the past year we have published four numbers (each 196 pages) with one special "all fiction" issue.

We constantly use data provided by our distributor to see how the market operates. Recently we have started to call bookstores in California to increase our presence there and have worked with our distributor, Ingram, to broaden our market. The "best" anthologies remain an important external standard and we continue to appear in them. Our plan has been to bring the magazine up to a respectable size, to maintain our quality in doing so and to expand our supporter base. So far we have done that in a difficult environment, but having the support of the university administration and staff has been important.

We conducted fundraisers in New York and Chicago and expanded our "Friends of the Antioch Review" as the result of these activities. Our annual fund raising netted $28,132 compared to $19,489 from the previous year. Our operating revenues were below budget despite a slight increase in electronic rights payments. Increased costs came in the areas of printing, postage and new computers and there was a decline in endowment income. We have received a grant from the Ohio Arts Council ($2,700) and made a grant application to the N.E.A. (for $10,000). Our staff remains the same and there were increases in benefits and salaries as required by contracts. Without a University subsidy we could not have continued despite our best efforts.

Robert Fogarty
Editor

Antioch Review

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	0	0	0	0	0		0	
Gifts	41,272	19,489	57,495	28,132	-29,363	-51.07%	8,643	44.35%
Lead Gifts	0	0	0	0	0		0	
Grants	0	3,084	2,993	2,993	0		-91	-2.95%
Endowment Income	9,541	10,162	9,500	8,021	-1,479	-15.57%	-2,141	-21.07%
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	11,699	10,432	6,700	16,144	9,444	140.96%	5,712	54.75%
Total E&G Revenue	62,512	43,167	76,688	55,290	-21,398	-27.90%	12,123	28.08%
Auxiliary Enterprises	57,815	57,383	56,000	49,687	-6,313	-11.27%	-7,696	-13.41%
Released From Restrictions	1,000	0	0	0	0		0	
Total Revenues	121,327	100,550	132,688	104,977	-27,711	-20.88%	4,427	4.40%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	129,035	127,950	132,688	142,805	10,117	7.62%	14,855	11.61%
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	361	361		361	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	129,035	127,950	132,688	143,166	10,478	7.90%	15,216	11.89%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	129,035	127,950	132,688	143,166	10,478	7.90%	15,216	11.89%
Excess Revenue over Expenses	-7,708	-27,400	0	-38,189	-38,189		-10,789	-39.38%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	4,328	4,328		4,328	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	0	-361	-361		-361	
Total Cash Items	0	0	0	3,967	3,967		3,967	
Net Cash Basis Budget	-7,708	-27,400	0	-42,156	-42,156		-14,756	-53.85%

Antioch Review

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
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Revenues	121,327	100,550	132,688	104,977	-27,711	-20.88%	4,427	4.40%
Operating Expenses								
Salaries & Wages	50,265	51,978	51,300	53,722	2,422	4.72%	1,744	3.36%
Benefits	24,045	27,680	29,613	30,657	1,044	3.53%	2,977	10.76%
Training & Development	4,441	569	2,200	2,625	425	19.32%	2,056	361.34%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	-2,363	-2,684	-2,575	-2,140	435	16.89%	544	20.27%
Business Operations	52,647	50,407	52,150	57,941	5,791	11.10%	7,534	14.95%
Plant Maintenance	0	0	0	0	0		0	
Interest Expense	0	0	0	0	0		0	
Resale Costs	0	0	0	0	0		0	
Miscellaneous	0	0	0	0	0		0	
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0		0	
Depreciation	0	0	0	361	361		361	
Total Operating Expenses	129,035	127,950	132,688	143,166	10,478	7.90%	15,216	11.89%
Excess Revenue over Expenses	-7,708	-27,400	0	-38,189	-38,189		-10,789	-39.38%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	4,328	4,328		4,328	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	0	-361	-361		-361	
Total Cash Items	0	0	0	3,967	3,967		3,967	
Net Cash Basis Budget	-7,708	-27,400	0	-42,156	-42,156		-14,756	-53.85%

WYSO RADIO

2002-03 Year-End Review

In terms of its reach and impact as a public broadcaster, during 2002-03, WYSO Public Radio broke all previous listener records. Nevertheless, while the station is still navigating a challenging fiscal environment, all indicators point to significant opportunities for the station to create the context for a truly self-sufficient operation. These opportunities will also allow WYSO to expand its service to Antioch University, as well as to its broadcast and online communities.

During the past five years, WYSO's weekly audience in the Miami Valley has grown by more than 50%, reaching over 20,000 more listeners than were listening at this time in 1998 (currently at 57,200 in the Total Listening Area, according to Spring 2003 Arbitron). The trends continue upward.

This is, of course, important as it signifies that the station is building its capacity to provide "significant programming for a significant audience." This simple phrase has embodied the strength that public radio stations nationwide have demonstrated in their ability to produce programming and schedules of depth, quality, and distinction unrivaled by other stations on the broadcast dial. This, in turn, enables stations to maintain a public service enterprise that can generate revenues to sustain operations over the long-term. Programming adjustments implemented 19 months ago are demonstrating anticipated strength and are entirely in keeping with the benchmarks and best practices of the public radio industry, as well as station management expectations. Stated simply, it typically takes anywhere from 18 months to 2 years before a radio station can reliably determine whether programming changes – whether targeted, as in WYSO's case, or a format overhaul – are attracting new listeners. Right in synch with this timeline, there is no doubt whatsoever that WYSO's changes are working. In terms of the experience of public radio stations nationwide, it usually takes about a year to 18 months after this for a station to witness significant growth in revenues. Again, based on system expectations, WYSO is on time and on track to re-achieve the financial goal of maintaining a self-sufficient operation.

Antioch and WYSO are achieving these results within the University's historic context as a progressive and innovative institution. As any good business, the station relies on the benchmarks, models, and best practices in evidence in the public radio industry. However, this by no means should be interpreted as any type of "paint by numbers" approach. WYSO is seen by its public radio colleagues and its growing listenership as a highly original station. It continues to break new ground. To cite but one significant example, WYSO's weekly newsmagazine, *WYSO Weekend*, is demonstrating how local public radio stations, with limited staff and resources, can produce compelling and original programming that was once only the province of networks and flagship stations. Rather than take additional space here to describe the process of creating this program and the national impact it is having throughout public radio, more information is available in an article that appeared in the January 13, 2003 edition of Current, the national newspaper of public broadcasting. Entitled, "New programs brighten public radio's weekend mood," the full text is available at: www.current.org/radio/radio0301weekend.html

Related to this is WYSO's pioneering leadership as an advisor to the Public Radio Exchange (PRX), whose mission is to create more opportunities for diverse programming to reach more listeners. This online pathway will move significantly more content, more directly through the public radio system by establishing horizontal connections between content creators and broadcast outlets, rather than vertical relationships, mediated through networks and large distributors. PRX is a tool of freedom, imagination, initiative, and creative vision for a mature public radio field. WYSO Public Radio is a charter station of the PRX, which officially launched in September 2003. WYSO sees its involvement with PRX as something that is befitting of the mission and traditions of Antioch University.

WYSO's achievements are NOT an abstraction in terms of fulfilling the mission of Antioch University. Institutionally licensed public radio stations have significant evidence that they have a valuable asset in their public radio stations when they deliver broadcast services of the highest quality and distinction to their communities. This statement is borne out by an NPR-commissioned study in support of its partnership with the independent organization University:Station Alliance (U:SA). In a survey of adults representative of the U.S. population, 82% affirmed the community service provided by universities and colleges affiliated with public radio stations. Additionally, 67% of the total and 80% of NPR listeners believe that it is either an "excellent" or "good" fit with the educational mission of a university to be associated with a public radio station.

WYSO, other NPR stations, and U:SA all recognize that both public radio and universities seek to engage people and enhance democracy by creating a more informed public. Survey results clearly demonstrate a quantifiable public appreciation for universities achieving this by partnering with public radio stations to provide quality programming to the community. Nationally, university-licensed public radio stations serve 15.3 million listeners each week. This number eclipses the number of students who enroll each year in U.S. colleges and universities. Dr. John H. Keiser, president of Southwest Missouri State University and an NPR board member says, "public radio is the highest quality, lowest cost, most insightful, and supplemental educational tool available to university students – if it is used. As an educator, I have used it since its first broadcast."

Antioch University is using WYSO Public Radio to its best effect. The research above confirms that WYSO's service is a net positive for Antioch, serving as an outlet for building area relationships and fostering a positive image of Antioch.

Beyond audience, tangible benefits to the University are increasingly in evidence. Several years ago, Antioch University McGregor (AUM) began making regular and ongoing use of messaging opportunities on WYSO. AUM's underwriting announcements on the station are practical communications to adults interested in pursuing their educations. AUM understands how to have maximum impact toward achieving its own goals by focusing its messages on the many informational sessions it regularly convenes for those potentially interested in enrolling in an AUM degree program. AUM officials continue to validate the value of WYSO in raising the visibility of this campus, its programs and activities. Not one information session goes by that does not have attendees who say they "heard about it on WYSO." This is profound as the demographic and psychographic profile of the average WYSO listener is entirely in line with those who seek educational services from AUM. More important, AUM's messages over WYSO are provided by the station, at no cost, as a part of the service it returns to Antioch University.

If AUM wanted to reach the same audience with these messages, it could not identify a <u>single</u> broadcast station or print publication that is as effective as WYSO in delivering them. If WYSO was not available, AUM would need to use several different media outlets at a cost that it likely could not shoulder at this moment, nor likely sustain as consistently as exists over WYSO's airwaves.

Similar messaging services are provided to the Ph.D. in Leadership and Change, Glen Helen, and Antioch College. WYSO management believes that Antioch New England Graduate School, Antioch University Southern California, and Antioch University Seattle may also derive some benefit from messaging on WYSO, even if such messages are bundled and reference the Antioch University system. Although WYSO broadcasts to Ohio's Miami Valley, it should be noted that the station's signal is available for on-demand streaming over the Internet. More important to take into account is the mobility of today's society and the fact that one never knows who is listening at any given time. Doubtless, listeners have family, friends, and colleagues who reside in the geographic communities Antioch serves. Antiochians can attest to the fact that many people are still unaware that Antioch University is more than an Ohio-based, undergraduate-oriented entity. Literally broadcasting this fact on a regular basis can help to change this perception. It does not require any great act of number crunching to determine that messages which attract even a handful of new enrollees to Antioch University programs would represent significant revenues to the institution.

WYSO management encourages Antioch University to understand the total cost accounting impact of the station on its overall operations, and specifically in terms of the station's recent deficits. WYSO's impact is more than reasonably quantifiable in terms other than strict revenue streams and itemized expenditures. In other words, a professional assessment of the total value of the WYSO asset must go beyond the value of the broadcast license and the broadcast equipment. A useful valuation of the station's public relations and promotional services to the University, as well as an accounting of the revenues that the station has helped to generate for other divisions of the institution will certainly demonstrate that WYSO's current contributions to Antioch University are not clearly understood when only viewed through the prism of an Excel spreadsheet.

All of this said, WYSO management wants to achieve more for Antioch University.

For the past five years, WYSO has been trying to fulfill the University's mandate that it work beyond its mission statement to help expand Antioch's academic programs. Station management remains convinced that sustainable educational opportunities can be created that will benefit both WYSO and students. Student opportunities can and should extend beyond the undergraduate realm. Station management remains interested in developing targeted opportunities for students throughout the Antioch system.

WYSO has long proposed any number of ideas that it believes will prove valuable to its specific, station-related goals, as well as Antioch's student service-oriented objectives. Many of these have been warmly received at the highest levels of institutional administration. Some of these ideas include the creation of a communications co-op, which would be a highly competitive program for students who know that they wish to pursue careers in broadcasting, news media, public relations, marketing, etc. Each time a given student's co-op window opens, that student would return to WYSO and have their professional exposure and experiences built up in stages. WYSO could use its contacts in the public radio system to identify opportunities for students to intern at other stations and networks. This would extend to the international co-op requirement, as WYSO can work with its contacts, domestic and abroad, to secure appropriate slots such that the station could create a comprehensive co-op/educational plan. In an era of intense competition in almost all sectors of society, this would provide Antioch with a highly unique educational program that it can use in its own marketing and recruitment initiatives.

To achieve optimal effectiveness, there would also need to be a reasonable degree of curriculum compatibility, such that classroom learning and activities directly compliment the employment requirements in the co-op setting. This would only help to make the total educational package that much more compelling, fulfilling, and practical to the student and their families.

This year revenues did not keep pace with costs and the station ran a deficit. A number of factors contributed to this, not the least of which was the continuing weakness of the economy. Public radio stations, like the rest of the not-for-profit sector, experienced fundraising declines, mostly in underwriting sales.

WYSO's Fall 2002 On-Air Membership Campaign established an overall fundraising goal of $150,000. The final tally was $171,544.

WYSO's Spring 2003 On-Air Membership Campaign established an overall fundraising goal of $175,000. The final tally was $192,339.

A brief, end-of-fiscal year drive was also conducted in June 2003 and raised $14,463.

Underwriting revenues in 2002-03 were $166,529, a figure that did not meet the goal of $250,000. While the weak economy was a significant factor, another concern is summarized in a public radio industry assessment that, as a June 30, 2003 headline in Current stated, "Underwriting sales held down by under-staffing, say experts." The full text of this story is available at: www.current.org/funding/funding0312underwriting.html

Management is concerned that its development staff of two persons is being asked to handle too many development responsibilities and, consequently, really cannot succeed appropriately in any single area. This is especially true of major donor fundraising. Public broadcasters are well aware that it is leaving millions of dollars on the table every year due to its lack of concentrated efforts to develop this revenue stream. Indeed, for the past decade or more, WYSO administrations have stated their intention to develop this revenue stream. Unfortunately, this has yet to occur. And it is not due to a lack of desire, but rather a lack of human resources.

In fact, WYSO management convened a teleconference with the assistance of the Development Exchange, Inc., public radio's leading fundraising clearinghouse, to discuss how WYSO could begin a major donor operation. One of the critical pieces of information that arose from this consultation was the danger of commencing such an initiative without the ability to designate the human resource hours necessary to do the job right. The station is exploring options to begin this effort during the current fiscal year.

Yet, even in a weak economic climate, WYSO's underwriting revenues should be somewhat stronger than was evidenced this past year. The WYSO Development Department is aware that underwriting goals for 2003-04 are significant and all efforts must be made to attain them. If, halfway through the fiscal year, the station is not appropriately on track towards these goals, staffing changes may have to be considered.

A significant development that should improve opportunities and revenue generation is a new, joint initiative between WYSO and Dayton Public Radio (DPR). The two stations are establishing a "collecting agent" entity to be known as Miami Valley Public Radio (MVPR). MVPR will exist to sell underwriting for both stations as a package. The logic of this coordinated approach to underwriting sales is grounded in the realities of the marketplace. In the aftermath of major commercial media ownership consolidations as a result of the Telecommunications Act of 1996, media buyers are, more and more, dealing with a single ownership group (e.g., Clear Channel Communications, Radio One) presenting a single sales package on behalf of all the media properties they own in a given market. Therefore, a single media buy can immediately place an underwriter's message on 8 radio stations. In this environment, an individual public radio station, selling only itself, becomes an inefficient approach to airtime sales and one that fewer media buyers are willing to indulge.

Combining the total audience numbers for WYSO and DPR, and selling the power of their demographic impact becomes far more powerful than either station on its own. WYSO and DPR have worked closely with development leadership in the public radio system to create the strongest possible alliance for this sales initiative. One of the most pertinent models upon which the WYSO/DPR partnership is based comes from the Public Radio Partnership in Louisville, KY. There, three stations combined to sell as one package and have experienced dramatic growth in revenues within a few short years.

On a similar front, in June 2003, I was re-elected by my colleagues to serve a second term of office as president of Ohio Public Radio (OPR). One of my top priorities has been the establishment of the Ohio Multi Station Underwriting Plan. The idea of this plan is patterned after similar partnerships in North Carolina and Florida, and is an expansion of the concept described above for WYSO and DPR. Once again, the two states referenced have generated very significant increases in underwriting revenues for their respective public radio stations. In August 2003, I convened an OPR summit on the multi station plan. It was the first time in anyone's recollection that all 13 OPR member organizations were present for a statewide meeting. The group developed a series of action items to move the plan into its next phase of implementation. WYSO's revenues will be very positively impacted by the success of this OPR initiative.

During 2002-03, the Corporation for Public Broadcasting (CPB) hired Vinnie Curren as its first, new Vice President for Radio in 18 years. Mr. Curren has indicated that he and the CPB are now exploring ways to go beyond simply encouraging stations to work together. He is actively exploring how the CPB can leverage its influence in such a way as to force the issue. Curren believes that creating efficiencies is both a responsible use of the taxpayers' investment and a sensible means of running a public radio business. He has specifically referenced two articles that are having a profound effect on his own thinking: "We need not bake our own cookies," published in Current, June 2, 2003 (available at: www.current.org/pb/pb0310cookies.html), and "The Nonprofit Sector's $100 Billion Opportunity," published in the Harvard Business Review, May 1, 2003 (of which, more information is available at: http://harvardbusinessonline.hbsp.harvard.edu/b01/en/common/item_detail.jhtml;jsessionid=ZVPB1DUM5WYPECTEQENSELQ?id=R0305G).

These efficiency issues are raised in detail in this report because they are not new to WYSO. As far back as 1993's Twin Signals Project, WYSO and DPR have discussed opportunities to share resources. In the decade since, the conversations between the two stations have never really ceased. The joint underwriting and marketing initiative referenced above is but the first and most visible outcome of these efforts. WYSO and DPR have approached Mr. Curren and other system leaders to ask for their guidance and support in finding the right mix and balance to achieving the objectives of efficient operations within the context of two, independent licensee structures. Mr. Curren has agreed to assist, as has the Station Resource Group, DEI, NPR, and others. WYSO and DPR have been encouraged that they are on the leading edge of creativity and are being offered assistance because of the vision they have shown in pursuing partnership opportunities. System leaders have stated their confidence that both stations will be able to secure system and other funding to assist them in pursuit of these goals.

Steve Spencer
General Manager

WYSO

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	0	0	0	0	0		0	
Gifts	384,669	450,009	415,000	442,147	27,147	6.54%	-7,862	-1.75%
Lead Gifts	0	0	0	0	0		0	
Grants	167,984	169,067	170,294	171,470	1,176	0.69%	2,403	1.42%
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	323,699	330,820	274,025	298,720	24,695	9.01%	-32,100	-9.70%
Total E&G Revenue	876,352	949,896	859,319	912,337	53,018	6.17%	-37,559	-3.95%
Auxiliary Enterprises	1,025	330	500	190	-310	-62.00%	-140	-42.42%
Released From Restrictions	41,622	6,159	0	0	0		-6,159	-100.00%
Total Revenues	918,999	956,385	859,819	912,527	52,708	6.13%	-43,858	-4.59%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	866,974	1,014,451	853,240	1,020,830	167,590	19.64%	6,379	0.63%
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	31,639	0	21,186	21,186		-10,453	-33.04%
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	866,974	1,046,090	853,240	1,042,016	188,776	22.12%	-4,074	-0.39%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	866,974	1,046,090	853,240	1,042,016	188,776	22.12%	-4,074	-0.39%
Excess Revenue over Expenses	52,025	-89,705	6,579	-129,489	-136,068	-2068.22%	-39,784	-44.35%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	4,559	6,491	21,846	0	-21,846	-100.00%	-6,491	-100.00%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	55,162	15,162	15,168	15,171	3	0.02%	9	0.06%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-31,639	-30,435	-21,186	9,249	-30.39%	10,453	33.04%
Total Cash Items	59,721	-9,986	6,579	-6,015	-12,594	-191.43%	3,971	39.77%
Net Cash Basis Budget	-7,696	-79,719	0	-123,474	-123,474		-43,755	-54.89%

WYSO

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	918,999	956,385	859,819	912,527	52,708	6.13%	-43,858	-4.59%
Operating Expenses								
Salaries & Wages	258,026	325,969	301,877	346,890	45,013	14.91%	20,921	6.42%
Benefits	79,885	102,540	105,272	114,696	9,424	8.95%	12,156	11.85%
Training & Development	20,905	22,539	28,277	13,557	-14,720	-52.06%	-8,982	-39.85%
Student Aid Services	0	0	0	0	0		0	
Special Events	198	0	500	0	-500	-100.00%	0	
Supplies	13,929	11,730	14,345	6,670	-7,675	-53.50%	-5,060	-43.14%
Business Operations	318,679	355,263	311,865	385,903	74,038	23.74%	30,640	8.62%
Plant Maintenance	45,797	55,355	49,389	48,174	-1,195	-2.42%	-7,181	-12.97%
Interest Expense	12,465	9,143	8,800	7,863	-937	-10.65%	-1,280	-14.00%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	106,219	131,912	2,500	97,077	94,577	3783.08%	-34,835	-26.41%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	10,871	0	0	0	0		0	
Depreciation	0	31,639	30,435	21,186	-9,249	-30.39%	-10,453	-33.04%
Total Operating Expenses	866,974	1,046,090	853,240	1,042,016	186,776	22.12%	-4,074	-0.39%
Excess Revenue over Expenses	52,025	-89,705	6,579	-129,489	-136,068	-2068.22%	-39,784	-44.35%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	4,559	6,491	21,846	0	-21,846	-100.00%	-6,491	-100.00%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	55,162	15,162	15,168	15,171	3	0.02%	9	0.06%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-31,639	-30,435	-21,186	9,249	-30.39%	10,453	33.04%
Total Cash Items	59,721	-9,986	6,579	-6,015	-12,594	-191.43%	3,971	39.77%
Net Cash Basis Budget	-7,696	-79,719	0	-123,474	-123,474		-43,755	-54.89%

University Wide

2002-03 Actual Expenditure Summary by Function

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	%	Change From 2001-02 Actual to 2002-03 Actual $	%
Revenues								
Tuition & Fees	70	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition and Fees	70	0	0	0	0		0	
Gifts	0	150	0	150	150		0	0.00%
Lead Gifts	0	0	0	0	0		0	
Grants	123,194	82,258	125,000	116,528	-8,472	-6.78%	34,270	41.66%
Endowment Income	-114,418	-148,928	176,920	-334,081	-511,001	-288.83%	-185,153	-124.32%
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	-237,777	-649,475	0	-2,442,814	-2,442,814		-1,793,339	-276.12%
Unrealized Gains (Losses)	620,736	-1,332,095	0	953,089	953,089		2,285,184	171.55%
Other Income	238,964	146,549	182,000	69,823	-112,177	-61.64%	-76,726	-52.36%
Total E&G Revenue	630,769	-1,901,541	483,920	-1,637,305	-2,121,225	-438.34%	264,236	13.90%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	553,336	725,944	553,711	539,956	-13,755	-2.48%	-185,988	-25.62%
Total Revenues	1,184,105	-1,175,597	1,037,631	-1,097,349	-2,134,980	-205.76%	78,248	6.66%
Net Overhead for Central Operations	617,131	512,892	536,090	427,482	-108,608	-20.26%	-189,649	-30.73%
Operating Expenses								
Instruction	-29,853	-39,982	0	-48,749	-48,749		-8,767	-21.93%
Research	0	0	0	0	0		0	
Public Service	0	0	0	0	0		0	
Academic Support	405,714	324,095	59,765	68,854	9,089	15.21%	-255,241	-78.75%
Student Services	0	0	0	0	0		0	
Institutional Support	368,325	1,054,496	1,166,811	575,316	-591,495	-50.69%	-479,180	-45.44%
Plant Maintenance	2,920,157	234,857	222,145	222,140	-5	0.00%	-12,717	-5.41%
Scholarships	123,194	82,258	125,000	116,667	-8,333	-6.67%	34,409	41.83%
Total E&G Expenses	3,787,537	1,655,724	1,573,721	934,228	-639,493	-40.64%	-721,496	-43.58%
Auxiliary Enterprises	0		0		0		0	
Total Operating Expenses	3,787,537	1,655,724	1,573,721	934,228	-639,493	-40.64%	-721,496	-43.58%
Excess Revenue over Expenses	-1,986,301	-2,318,429	0	-1,604,095	-1,604,095		714,334	30.81%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	24,987	10,383	80,000	75,564	-4,436	-5.55%	65,181	627.77%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	84,124	124,124	124,118	124,115	-3	0.00%	-9	-0.01%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	-2,920,157	-234,857	-222,145	-222,140	5	0.00%	12,717	5.41%
Total Cash Items	-2,811,046	-100,350	-18,027	-22,461	-4,434	-24.60%	77,889	77.62%
Net Cash Basis Budget	824,745	-2,218,079	18,027	-1,581,634	-1,599,661	-8873.70%	636,445	28.69%

University Wide

2002-03 Actual Expenditure Summary by Category

	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Actual	Change From 2002-03 Budget to 2002-03 Actual $	Change From 2002-03 Budget to 2002-03 Actual %	Change From 2001-02 Actual to 2002-03 Actual $	Change From 2001-02 Actual to 2002-03 Actual %
Revenues	1,801,236	-662,705	1,573,721	-669,867	-2,243,588	-142.57%	-7,162	-1.08%
Operating Expenses								
Salaries & Wages	350,255	349,258	277,190	280,151	2,961	1.07%	-69,107	-19.79%
Benefits	142,157	132,156	124,515	43,608	-80,907	-64.98%	-88,548	-67.00%
Training & Development	129,587	212,102	167,072	159,626	-7,446	-4.46%	-52,476	-24.74%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	16,278	5,892	3,017	20,765	17,748	588.27%	14,873	252.43%
Business Operations	429,102	485,100	419,080	458,893	39,813	9.50%	-26,207	-5.40%
Plant Maintenance	77,003	78,686	5,474	12,971	7,497	136.96%	-65,715	-83.52%
Interest Expense	119,926	80,803	99,648	70,243	-29,405	-29.51%	-10,560	-13.07%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	5,569	4,613	4,029	9,646	5,617	139.41%	5,033	109.10%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	-50,000	0	0	0	0		0	
Capital Reserve	-490,031	0	0	-525,000	-525,000		-525,000	
Overhead								
To the University	0		61,894		-61,894	-100.00%	0	
Rebates from the University	0		0		0		0	
Subsidy from Adult Campuses	0		0		0		0	
Subsidy from Overhead	0		0		0		0	
Other (Intercampus Agree & Univ Conf)	137,534	72,257	189,657	181,185	-8,472	-4.47%	108,928	150.75%
Depreciation	2,920,157	234,857	222,145	222,140	-5	0.00%	-12,717	-5.41%
Total Operating Expenses	3,787,537	1,655,724	1,573,721	934,228	-639,493	-40.64%	-721,496	-43.58%
Excess Revenue over Expenses	-1,986,301	-2,318,429	0	-1,604,095	-1,604,095		714,334	30.81%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	24,987	10,383	80,000	75,564	-4,436	-5.55%	65,181	627.77%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	84,124	124,124	124,118	124,115	-3	0.00%	-9	-0.01%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	-2,920,157	-234,857	-222,145	-222,140	5	0.00%	12,717	5.41%
Total Cash Items	-2,811,046	-100,350	-18,027	-22,461	-4,434	-24.60%	77,889	77.62%
Net Cash Basis Budget	824,745	-2,218,079	18,027	-1,581,634	-1,599,661	-8873.70%	636,445	28.69%

ANTIOCH UNIVERSITY
Change in Carryforward Funds
2002/03

Carryforward	College	New England	Seattle	hD Progra	So Cal	McGregor	Central	Total
Balance 6/30/02								
Unfunded	0	859,951	1,058,813	899	807,272	833,904	0	3,560,839
Funded	0	149,192	119,493	0	20,086	20,369	0	309,140
Total 6/30/02	0	1,009,143	1,178,306	899	827,358	854,273	0	3,869,979
Adjustments								
Unfunded	0	0	0		0	0	0	0
Funded *	0	13,038	15,224	12	10,689	11,037	0	50,000
Total Adjustments	0	13,038	15,224	12	10,689	11,037	0	50,000
Additions								
Unfunded	0	142,715	123,783	21,512	262,754	563	0	551,327
Funded (Interest)	0	34,092	30,592	146	22,731	13,936	0	101,497
Total Additions	0	176,807	154,375	21,658	285,485	14,499	0	652,824
Uses								
Unfunded	0	0	0	0	0	0	0	0
Funded	0	0	0	0	0	0	0	0
Total Uses	0	0	0	0	0	0	0	0
Balence 6/30/03								
Unfunded	0	1,002,666	1,182,596	22,411	1,070,026	834,467	0	4,112,166
Funded	0	196,322	165,308	158	53,507	45,343	0	460,637
Total 6/30/03	0	1,198,988	1,347,904	22,569	1,123,533	879,810	0	4,572,803

* Black Bequest

ANTIOCH UNIVERSITY
Change in Depreciation Reserves
2002/03

Depreciation Reserves	College	New England	Seattle	PhD Progra	So Cal	McGregor	Central	Total
Balance 6/30/02								
Unfunded	0	0	0	0	0	0	0	0
Funded	0	93,623	50,000	2,217	0	0	97,453	243,293
Total 6/30/02	0	93,623	50,000	2,217	0	0	97,453	243,293
Additions								
Unfunded	0	0	0	0	0	0	0	0
Extra Capital Reserve	0	0	125,000	0	300,000	100,000	0	525,000
Funded	0	478,424	463,304	2,705	130,030	204,936	222,140	1,501,539
Total Additions	0	478,424	588,304	2,705	430,030	304,936	222,140	2,026,539
Uses								
Unfunded	0	0	0	0	0	0	0	0
Funded	0	-572,047	-451,438	-4,922	-130,030	-204,936	-222,528	-1,585,901
Total Uses	0	-572,047	-451,438	-4,922	-130,030	-204,936	-222,528	-1,585,901
Balance 6/30/03								
Unfunded	0	0	0	0	0	0	0	0
Funded	0	0	186,866	0	300,000	100,000	97,065	683,931
Total 6/30/03	0	0	186,866	0	300,000	100,000	97,065	683,931

ANTIOCH UNIVERSITY
Change in Liquidity Reserves
2002/03

Liquidity Reserves	College	New England	Seattle	hD Progra	So Cal	McGregor	Central	Total
Balance 6/30/02	0	0	0	0	0	0	0	0
Unfunded	0	0	0	0	0	0	0	0
Funded	406,602	478,970	479,526	0	461,181	276,784	63,102	2,166,165
Total 6/30/03	406,602	478,970	479,526	0	461,181	276,784	63,102	2,166,165

2003-04 FIRST QUARTER PERFORMANCE

As a tuition-driven institution with nearly 75% of total revenue generated by Tuition & Fees, Antioch's financial stability depends on enrollment. Attracting new students and insuring that those who have enrolled continue to matriculate is of major importance to the Presidents. They are concerned about enrollments not only because of the financial ramifications, but also because of the purpose of Antioch is to communicate knowledge, technique and values. Without students, there is no purpose.

Comparing the net tuition for the first quarter of 2003-04 with the budget, the following table shows that the University is more than half a million dollars behind its budget target. The College and New England are each significantly behind their budget targets and the other campuses have not generated sufficient revenue to offset the shortfall. Each president has discussed the enrollment situation at his or her campus in the following pages.

FIRST QUARTER NET TUITION AND FEE INCOME CHANGE
Budget-to-Actual and Prior Year Actual-to-Actual

	Change from 2003-04 Budget to 2003-04 Actual	Percent Change	Change from 2002-03 Actual to 2003-04 Actual	Percent Change
Antioch College	-456,522	-9.69%	-545,330	-11.36%
Glen Helen	5,829	24.74%	6,206	26.77%
New England	-252,173	-4.94%	166,255	3.55%
Seattle	-68,478	-3.37%	114,604	6.21%
Southern California	27,609	0.51%	471,191	9.50%
McGregor	122,547	15.44%	182,840	24.94%
University Ph.D.	55,811	5.68%	426,550	69.73%
TOTALS	-565,377	-0.60%	822,316	4.66%

Focusing on the change in net tuition revenue from the first quarter of last year to the first quarter of this year, the above table shows that the University as a whole has experienced a 4.7% increase. However, the $822,316 balance would be considerably greater were it not for the significant year-to-year shortfall at the College. Despite a significant increase in tuition rates, the College is generating -$545,330 less in the first quarter of 2003-04 than it did in the prior year. The absolute decline in year-to-year Net Tuition revenue is due, almost entirely, to a near 25% increase in Tuition Discounts. Gross Tuition & Fees at the College increased by 3.2% on a year-to-year basis.

Seattle, is slightly below budget for the first quarter, but performing better than it did a year ago and is showing a 6.2% increase on a year-to-year basis. Southern California is close to budget and showing a 9.5% increase over the prior year, while McGregor is well ahead of budget (up 15.4%) and running 25% ahead of last fiscal year. Although still small in size, the Ph. D. program has increased net tuition revenue by $426,550 (69.7%) and is demonstrating the attractiveness of its program design through its retention of students.

The following table shows the expected first quarter growth in Net Tuition & Fee Income by campus from last year's level to this year's budgeted level. We expected to see an overall 7.9% growth in Net Tuition & Fees, but as the previous table showed, we were able to realize only 4.7% growth. The College had anticipated a -1.9% decrease in revenue from the first quarter actual of last year to the first quarter actual of this year, but experienced a -11.4% decrease.

FIRST QUARTER NET TUITION AND FEE INCOME
2002-03 Actual to 2003-04 Budget

	2002-03 Actual	2003-04 Budgeted	Change	Percent Change
Antioch College	4,798,520	4,709,712	-88,808	-1.85%
Glen Helen	23,183	23,560	377	1.63%
New England	4,681,932	5,100,360	418,428	8.94%
Seattle	1,846,744	2,029,826	183,082	9.91%
Southern California	4,958,119	5,401,701	443,582	8.95%
McGregor	733,224	793,517	60,293	8.22%
University Ph.D.	611,700	982,439	370,739	60.61%
TOTALS	17,653,422	19,041,115	1,387,693	7.86%

New England and Seattle came up short of their Net Tuition Revenue targets for the first quarter, but Southern California, McGregor and the Ph.D. program all surpassed their budgeted levels. Largely due to the shortfall in Net Tuition of -$565,377, University Wide Total Revenues for the quarter are below budget by -$369,615. Gifts income is up $210,805, but this is misleading because the College received a one-time unrestricted gift of property valued at $250,000. Grants income is up $182,634 (15.8%) but Contracts are down -$96,736. Contracts at New England are below budget by -$82,526 although they are down on a year-to-year basis by only $10,629. Endowment Income is significantly below budget (-$108,233), but consistent for the pattern that has been in place for the prior two years. Unlike the pattern of the prior two years, however, Realized and Unrealized gains and losses are up $764,537 from the first quarter budgeted level. Auxiliary Enterprises revenue is down -$46,957 (-2.6%), but Released from Restrictions is below budget by -$619,128 (-34.1%). If the Realized and Unrealized gains are removed from the first quarter actuals, the revenue shortfall would be -$1,134,152.

FIRST QUARTER TOTAL CAMPUS OPERATING EXPENSES
Budget-to-Actual and Prior Year Actual-to-Actual

	Change from 2003-04 Budget to 2003-04 Actual		Change from 2002-03 Actual to 2003-04 Actual	
	$	%	$	%
Antioch College	-77,473	-1.38%	38,610	0.70%
New England	-1,027,000	-28.29%	173,166	6.31%
Seattle	-300,532	-8.82%	779,174	33.47%
Southern California	-266,981	-8.27%	402,979	15.74%
McGregor	-164,330	-10.10%	179,904	14.03%
University Ph.D.	12,691	4.82%	126,975	85.24%
TOTALS	-1,823,625	-10.27%	1,700,808	11.69%

Total revenue is down -1.5% from budget, but if Realized and Unrealized Gains are removed, total revenue is down -4.5% in the first quarter. For this same period, total operating expenses are down -7.7% (-$1,490,811) but up by 12.4% ($1,956,667) on a year-to-year basis. As the table above shows, the campuses are spending at a slower rate than authorized in their budgets, and in the first quarter they have spent -$1,823,625 (-10.3%). However, on a year-to-year basis, the campuses are collectively spending at a rate that is 11.7% above last year. The College has reduced its spending by only -1.4%, the lowest relative reduction of any of the campuses, but its year-to-year spending has increased far less as a percentage and in absolute terms than any of the other campuses. Spending at the College is virtually flat with the first quarter of 2002-03.

In trying to gain an overall impression of the financial status of the University in the first quarter, it is important to recognize the significant impact that the stock market has on the financials. However, it is equally important to remove that factor when trying to assess the relative health of University operations. Realized and Unrealized gains are not available for expenditure to support operations and need to be discounted when analyzing the revenue picture. If this is done, revenue is not coming up to budgeted levels because funds have not been Released from Restrictions and Tuition & Fee Income is down, primarily at the College. New England is also looking at a significant Tuition & Fee shortfall in the first quarter.

For the University as a whole, all of the operating expense categories are below budget except Plant Maintenance, Interest Expense, Resale Costs and Depreciation. Nonetheless, spending is increasing at a 12.4% rate ($1,956,668) over the first quarter of 2002-03.

The Tuition & Fee shortfall is troublesome for New England, but the campus has the flexibility to adjust expenditures and has already taken action to hold spending below the budgeted level. With perseverance, New England should be able to balance its budget in 2003-04. The College, however, has a more serious structural problem with its Tuition & Fees. The increased use of Tuition Discounts to fund student financial aid packages is threatening the viability of the College and causing a year-to-year decrease in Net Tuition income. Spending reductions at the College will not have a sufficiently large impact unless the entire budget is reexamined and restructured. Most of the non-personnel categories have been significantly reduced in recent years and the amount of additional savings that can be realized in this area is quite small. It may be necessary to make personnel reductions, but because of tenure, contractual commitments and union contract provisions, it is difficult to realize short-term savings from personnel reductions. In addition, without restructuring programs, removing individuals to save money can result in student dissatisfaction and the loss of more Tuition & Fee income than will be saved by the position eliminations. Nonetheless, the College is facing a structural problem that has existed for several years and will continue into the future unless actions are taken to redirect the campus's cost structure.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

Antioch University

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues								
Tuition & Fees	18,716,657	21,026,628	22,745,774	22,755,105	9,331	0.04%	1,728,477	8.22%
Less Tuition Discounts	-2,477,116	-3,373,206	-3,704,659	-4,279,367	-574,708	-15.51%	-906,161	-26.86%
Net Tuition	16,239,541	17,653,422	19,041,115	18,475,738	-565,377	-2.97%	822,316	4.66%
Gifts	78,628	102,516	127,731	338,536	210,805	165.04%	236,020	230.23%
Grants	993,978	896,369	1,155,220	1,337,854	182,634	15.81%	441,485	49.25%
Endowment Income	-35,888	-70,819	103,626	-108,233	-211,859	-204.45%	-37,414	-52.83%
Contracts	198,796	36,429	120,870	24,134	-96,736	-80.03%	-12,295	-33.75%
Realized Gains (Losses)	-76,399	-983,393	0	75,623	75,623		1,059,016	107.69%
Unrealized Gains (Losses)	-903,381	-498,739	0	688,914	688,914		1,187,653	238.13%
Other Income	356,322	349,916	309,934	322,400	12,466	4.02%	-27,516	-7.86%
Total E&G Revenue	16,851,597	17,485,701	20,858,496	21,154,966	296,470	1.42%	3,669,265	20.98%
Auxiliary Enterprises	1,574,494	1,638,246	1,780,892	1,733,935	-46,957	-2.64%	95,689	5.84%
Released From Restrictions	555,661	795,936	1,814,371	1,195,243	-619,128	-34.12%	399,307	50.17%
Total Revenues	18,981,752	19,919,883	24,453,759	24,084,144	-369,615	-1.51%	4,164,261	20.91%
Net Overhead for Central Operations	598,111	534,527	716,571	716,571	0	0.00%	182,044	34.06%
Operating Expenses								
Instruction	4,636,205	5,517,987	6,660,572	5,941,806	-718,766	-10.79%	423,819	7.68%
Research	0	0	252	0	-252		0	
Public Service	761,578	684,002	958,253	742,803	-215,450	-22.48%	58,801	8.60%
Academic Support	720,000	744,357	1,640,010	1,448,481	-191,529	-11.68%	704,124	94.59%
Student Services	1,301,773	1,493,460	1,681,245	1,623,801	-57,444	-3.42%	130,341	8.73%
Institutional Support	4,977,522	3,639,422	4,452,052	4,098,860	-353,192	-7.93%	459,438	12.62%
Plant Maintenance	1,876,095	1,932,256	1,915,987	2,002,052	86,065	4.49%	69,796	3.61%
Scholarships	1,172,220	1,189,641	1,234,885	1,193,215	-41,670	-3.37%	3,574	0.30%
Total E&G Expenses	15,445,393	15,201,125	18,543,256	17,051,018	-1,492,238	-8.05%	1,849,893	12.17%
Auxiliary Enterprises	664,101	641,097	746,444	747,871	1,427	0.19%	106,774	16.65%
Total Operating Expenses	16,109,494	15,842,222	19,289,700	17,798,889	-1,490,811	-7.73%	1,956,667	12.35%
Excess Revenue over Expenses	3,470,369	4,612,188	5,880,630	7,001,826	1,121,196	19.07%	2,389,638	51.81%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	575,622	585,815	661,741	869,596	207,855	31.41%	283,781	48.44%
Borrowing Proceeds	-142,234	-58,031	-219,000	-219,000	0	0.00%	-160,969	-277.38%
Principal Payments	421,553	347,038	324,423	351,794	27,371	8.44%	4,756	1.37%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	-735,451	-741,273	-726,456	-748,957	-22,501	-3.10%	-7,684	-1.04%
Total Cash Items	119,490	133,549	40,708	253,433	212,725	522.56%	119,884	89.77%
Net Cash Basis Budget	3,350,879	4,478,639	5,839,922	6,748,393	908,471	15.56%	2,269,754	50.68%

Antioch University

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues	19,579,863	20,454,409	25,170,330	24,800,715	-369,615	-1.47%	4,346,306	21.25%
Operating Expenses								
Salaries & Wages	6,764,835	6,869,907	8,003,363	7,504,071	-499,292	-6.24%	634,164	9.23%
Benefits	2,063,400	2,253,482	2,728,683	2,657,954	-70,729	-2.59%	404,472	17.95%
Training & Development	358,745	490,823	762,220	509,074	-253,146	-33.21%	18,251	3.72%
Student Aid Services	935,345	993,987	1,020,795	1,001,348	-19,447	-1.91%	7,361	0.74%
Special Events	26,970	55,375	105,468	91,498	-13,970	-13.25%	36,123	65.23%
Supplies	317,330	401,734	406,820	270,669	-136,151	-33.47%	-131,065	-32.62%
Business Operations	1,462,476	1,866,459	2,216,294	1,919,355	-296,939	-13.40%	52,896	2.83%
Plant Maintenance	1,000,326	1,013,094	1,037,316	1,088,523	51,207	4.94%	75,429	7.45%
Interest Expense	382,105	335,592	307,107	315,277	8,170	2.66%	-20,315	-6.05%
Resale Costs	156,394	132,030	172,930	241,171	68,241	39.46%	109,141	82.66%
Miscellaneous	12,053	93,876	739,973	648,602	-91,371	-12.35%	554,726	590.91%
Contingency/Reserves								
Campus Contingency, Mandatory	757,155	0	159,770	0	-159,770	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	70,799	1,204	-69,595	-98.30%	1,204	
Liquidity Reserve	492,448	0	0	0	0		0	
Overhead								
To the University	1,312,003	684,526	866,575	866,570	-5	0.00%	182,044	26.59%
Rebates from the University	-526,767	0	0	0	0		0	
Subsidy from Adult Campuses	1	0	0	0	0		0	
Subsidy from Overhead	-187,125	-150,000	-150,000	-150,000	0	0.00%	0	0.00%
Other (Intercampus Agree & Univ Conf)	46,349	60,063	115,131	84,616	-30,515	-26.50%	24,553	40.88%
Depreciation	735,451	741,273	726,456	748,957	22,501	3.10%	7,684	1.04%
Total Operating Expenses	16,109,494	15,842,221	19,289,700	17,798,889	-1,490,811	-7.73%	1,956,668	12.35%
Excess Revenue over Expenses	3,470,369	4,612,188	5,880,630	7,001,826	1,121,196	19.07%	2,389,638	51.81%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	575,622	585,815	661,741	869,596	207,855	31.41%	283,781	48.44%
Borrowing Proceeds	-142,234	-58,031	-219,000	-219,000	0	0.00%	-160,969	-277.38%
Principal Payments	421,553	347,038	324,423	351,794	27,371	8.44%	4,756	1.37%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	-735,451	-741,273	-726,456	-748,957	-22,501	-3.10%	-7,684	-1.04%
Total Cash Items	119,490	133,549	40,708	253,433	212,725	522.56%	119,884	89.77%
Net Cash Basis Budget	3,350,879	4,478,639	5,839,922	6,748,393	908,471	15.56%	2,269,754	50.68%

ANTIOCH COLLEGE
2003-04 First Quarter Performance

Introduction: The academic year has begun with some encouraging developments, and some evidence of continuing budgetary challenges. The College suffered two significant blows to its administrative stability last spring when two crucial deans, the Dean of Students and the Dean of Admissions, unexpectedly vacated their positions in mid-term. Although the Dean of Admissions gave us notice at the end of December and we immediately began a search for his successor, his departure in March--in the midst of the college decision season--left a void that required junior staff to carry on without normal leadership. We expected this problem to have consequences for fall 2003 enrollment. The Dean of Students gave virtually no notice of her departure, and left amidst turmoil in April. There was no time to begin a new search, and instead an internal reorganization was announced in early summer to take care of student services. We expected that this transition might result in above-normal levels of student attrition.

The real impact of these challenges was measured in late September, with mixed results. To our relief, we found that the student numbers were almost level with last year--and with those projected in our "no-growth" budget projections for 2003-04. But at the same time, our unfunded financial aid (tuition discounts) budget was significantly over-spent in order to bring in this steady-state class.

At this point, some degree of optimism about the future beyond the current year may be justified by the presence of a hard-working new team of deans, all of whom began work in August 2003. In fact we are already seeing changes in student culture and morale due to the efforts of these new professionals. But even their best efforts cannot result in visible or significant changes in the big picture factors (enrollment and retention) until fall 2004. Therefore, we must review and revise the current budget in order to live within our means during this coming year. This report will detail the enrollment and financial picture, and indicate some new measures to be taken in order to assert control over current and future budgets. Since the analysis of current needs is not complete, this revised budget is not yet ready, although we do have some idea of the size of the current year's problem: between $400,000 and $450,000.

Enrollment: This fiscal year is the first in which we have had adequate time to apply the policy of meeting 100% of the documented financial need of new students, coupled with a significant new array of merit awards, and to determine whether these changes can attract more students to Antioch College. In 2002-03, we applied this new and risky policy, but because the decision to go forward was not made until the spring, much of the recruiting season had already passed. For 2003-04, we have been able to inform prospective students of our policy from the beginning of the recruiting season and prepare financial aid packages that we believe are competitive. The results, so far, have not met the expectations that motivated our adoption of this policy.

Enrollment has been steady, and the policy may have produced some changes in the demographic composition of the student body, but the policy change has not generated the increases in revenue and student numbers that were predicted. We suspect that the price elasticity that was suggested when this policy was recommended does not actually exist for prospective Antioch students. What we know is that the new policy is costing the College far more than the previous policy, and it has caused us to start the 2003-04 year with a revenue shortfall.

Our fiscal year starts with two thirds of the summer semester revenue, and by now we have the enrollment counts for the Fall. The following tables show the number of students enrolled in Summer 2003 and Fall 2003 that we anticipated in the budget, the number that actually appeared, and the variance:

	2003-04 Budget	**09/30/03 Actual**	**Over (Under) Budget**
Summer 2003			
Study	187	147	-40
Co-op	233	282	49
Antioch AEA	9	7	-2
Outside AEA	5	2	-3
Total Summer	**434**	**438**	**4**

As you can see from the above table, the number of students enrolled for a study term during the summer was 40 fewer than we expected when we assembled the budget. However, the number of students on co-op term was 49 more than anticipated in the budget. The Antioch Education Abroad (AEA) program enrolled two fewer Antioch students than we anticipated and three fewer students from outside of Antioch. However, for the summer as a whole, we had about four students more than we had anticipated in the budget.

	2003-04 Budget	09/30/03 Actual	Over(Under) Budget
Fall 2003			
Study	391	411	20
Co-op	166	140	-26
Antioch AEA	21	25	4
Outside AEA	84	77	-7
Total Fall	**662**	**653**	**-9**
Total Year-to-Date			
Study	578	558	-20
Co-op	399	422	23
Antioch AEA	30	32	2
Outside AEA	89	79	-10
Total Summer/Fall 2003	**1096**	**1091**	**-5**

This fall, 20 students more than expected in the budget enrolled in a study term, but 26 fewer enrolled in co-op. Four more Antioch students enrolled in AEA in the fall than we had expected, but seven fewer came from outside of Antioch. For the fall term, we are nine students down from the level anticipated in the budget. The last section of the above table shows the year-to-date composite for summer and fall. Because we are 20 students below budget on the study term line, we have less auxiliary revenue than we had expected. That is, fewer students living on campus means lower occupancy in the dormitories and fewer meal plan purchases. As a result, auxiliary income for the quarter is down $68,540 (4.27%).

The quarterly Summary by Function for the College shows that Tuition & Fees for the quarter are up $111,966 (1.36%), but that Net Tuition is down $456,522 (9.69%). The following table provides a closer look at the details of our Tuition & Fee situation:

	2003-04 Budget	09/30/03 Actual	Over(Under) Budget
Undergrad Tuition	6,609,471	6,753,134	143,663
Miscellaneous Fees	72,688	104,702	32,014
Medical Fees	76,000	92,929	16,929
Community Gov't Fee	136,173	135,561	-612
Total Undergrad	**6,894,332**	**7,086,326**	**191,994**
AEA Tuition	772,692	718,988	-53,704
AEA Travel Exp Fees	586,213	559,889	-26,324
Total AEA	**1,358,905**	**1,278,877**	**-80,028**
GRAND TOTAL TUITION & FEES	**8,253,237**	**8,365,203**	**111,966**
Undergrad Discounts	-3,102,450	-3,530,534	-428,084
Tuition Free	-365,000	-459,278	-94,278
AEA Discounts	-76,075	-122,201	-46,126
Total Discounts	**-3,543,525**	**-4,112,013**	**-568,488**
Auxiliaries			
Room Revenue	710,556	641,581	-68,975
Board Revenue	803,345	723,419	-79,926
Bookstore Revenue	92,253	172,614	80,361
Total Auxiliary	**1,606,154**	**1,537,614**	**-68,540**
GRAND TOTAL SHORTFALL			**-525,062**

As of the end of the first quarter, gross Undergraduate Tuition is ahead of budget by $143,663 and when the various fees and charges are included, Total Undergraduate Revenue is ahead of budget by $191,994. For the quarter, our enrollment on campus and in co-op is slightly ahead of budget, but the Undergraduate Tuition shown in the table is somewhat misleading. Exchange students who attend the College from Poland, Germany and Japan receive tuition waivers as part of the exchange agreements. However, they are recorded for accounting purposes as paying and then receiving the waivers. For this reason, the Undergraduate Tuition is overstated. These students received $94,278 in waivers for the first quarter shown as Tuition Free in the above table.

AEA Tuition is down and the corresponding AEA Travel Expense Fees are also down, for a total shortfall of $80,028. When the AEA shortfall is combined with the Undergraduate overage, we show a gross Tuition & Fee total of $111,966, the same figure shown in the quarterly schedule.

Undergraduate Discounts, however, significantly reverse the favorable pattern. During the first quarter, we awarded $3.5 million in Tuition Discounts, $428,084 more than we had planned in the 2003-04 budget. When combined with the Tuition Free Discounts that are given to the exchange students ($94,278) and the AEA Discounts ($46,126), our total discounts exceed budget by $568,488. As a result, our Net Tuition is below the budgeted level by $456,522 (9.7%). The inclusion of the shortfalls in Room & Board, partially offset by greater than anticipated Bookstore Revenue, leave us with a total student-related revenue shortfall of $525,062.

When we developed the 2003-04 budget, we anticipated that we could give several students restricted scholarships instead of granting them tuition waivers. As of the end of the first quarter, the Financial Aid Office has not completed matching the qualifications of the first year students with the criteria of these scholarships. We believe that when this process is completed, temporarily restricted scholarship revenue will offset at least $100,000 of Tuition Waivers. Nonetheless, we are confronting a tuition shortfall of about $400,000 that must be addressed during the year.

Operating Revenues: Gifts revenue represents a bright spot on the first quarter revenue statement. Annual Fund revenue was anticipated in the budget to be about $46,000, and that level has been achieved. In addition, the University received an unrestricted gift of property valued at approximately $250,000, and it is this property that accounts for the excess over budget during the first quarter. Grants Income, primarily work study and other financial aid, is ahead of budget. Because these funds are recorded as they are used, and because we have a fixed annual allocation for Federal

Work Study, a higher number on this line is not always a positive indicator. Rather, it can suggest that financial aid is being used more rapidly than anticipated.

Operating Expenses: Total Operating Expenses in the first quarter are $77,473 (1.38%) below budget and very close to the level of the prior year. Salaries & Wages are 3% below budget, but Benefits offset the savings. Benefits are up 6.6% as a result of higher medical and drug expense, as well as increases in the other benefit categories. With the exception of Student Aid Services, Plant Maintenance and Resale Costs, all of the Operating Expenses categories are below budget. Resale Costs have increased at the Bookstore and were reflected in the higher Auxiliary revenue shown in the table above.

The first quarter accrual balance of nearly $1.6 million is more than $562,000 below the budgeted level. Because expenses occur consistently throughout the year, but revenue peaks with the fall, spring and summer terms, it is important for the College to have a large positive accrual balance at the end of the first quarter. In order to balance the budget for 2003-04, it will be necessary to reduce expenditures to a rate below those of the first quarter. This will require the implementation of special spending restrictions.

Remedial Responses: In order to increase our confidence in and control of the budget for the current year, we will reopen the process and completely rework the 2003-04 budget in light of current realities. A similar process was undertaken in February 2003 and resulted in helpful savings in last year's budget. But this year the process will be earlier, more intensive and sweep with a wider net than what we did last winter. We will also take extraordinary measures to monitor compliance (although, to be fair, we have not discovered that willful non-compliance was a significant factor in last year's budget overages).

Additional Corrective Measures: In order to insure that we do not have a repeat of the deficit in 2003-04, the College is in the process of adopting the following procedures:

- <u>Authorization to Hire</u>. Every individual who is currently authorized to initiate the hiring process must complete an Authorization to Hire form and each search must be approved prior to any posting or advertising of faculty, staff, union, NUNS, or student positions. The form requires that the funding source for new positions be identified and this information is verified against the budget before approval is given. If there is not sufficient funding in the budget for the position, authorization to recruit will not be given without a corresponding decrease in some other budget line.

- Elimination of Unbudgeted Overtime. Overtime that is not budgeted creates a salary deficit. Beginning this fall, if overtime is authorized and paid, an immediate budget adjustment will be necessary to transfer funds from some other line. A separate budget line will be established for overtime and in the future, units that anticipate the need for overtime will be required to budget an adequate amount for the year.

- Adjustments for Salary Changes. Any salary or fringe adjustments after the start of the fiscal year that increase expenses will require an offsetting budget adjustment. For example, if an individual assumes major new duties and is given a title and salary adjustment, the Human Resource staff will check to insure that there is sufficient funding available in the budget. In most cases, a budget transfer will be needed to cover the additional expense. In the case of fringe benefit changes, such as when an individual goes from having single coverage medical insurance to family insurance, a budget increase will be required to cover the increased cost. All changes made during the open enrollment period and all changes that occur as a result of changed circumstances will require adjusting budget entries.

- Tuition Waivers. The Financial Aid Office must establish procedures that will insure that the ratio of tuition waivers to tuition collected does not vary from the ratio present in the budget. That is, additional tuition waivers are permitted provided that larger numbers of students enroll and pay a larger amount of tuition. As long as the ratio of waivers to tuition dollars is in line with the budget, we will not have a problem. However, in the event that more tuition waivers are granted than were anticipated in the budget, the Financial Aid Office must take immediate steps to reduce the cost of waivers in the spring and summer terms.

- Control of Community Government. In our projections last year, we anticipated that Community Government (CG) would, as usual, underspend their budget and leave a balance available to help offset the College's deficit. However, CG finished the year 2002-03 with its own deficit of $43,866. (The full amount of this past deficit has been deducted from the current year's CG budget.) Excessive spending by Community Government and poor financial practices last year, especially in the C-Shop, have required that we appoint an advisor to closely monitor activities, and to ensure that CG complies with generally accepted accounting practices and procedures. The CG Budget Manager is required to receive more training, and to reconcile the current budget monthly with the advisor, a member of the Business Office staff. Cash handling is particularly important and all financial transactions will pass through the College's financial and purchasing systems. In the event that College procedures are not followed, any operation of CG that is noncompliant will be suspended until its procedures come into compliance. This is essential to protect the College and to avoid fraud. Operation of the C-Shop will also be suspended if it is not in compliance with local health codes.

None of these measures will solve our long-term problems. The largest single source of budgetary imbalance at our current enrollment level is the increased use of tuition waivers to meet student financial need. The policy that was adopted two years ago is absorbing all of the additional tuition revenue without promising to yield significant increases in enrollment. In 2002-03, gross tuition and fee revenue increased by 6.2% over the prior year, but net tuition and fee income **decreased** by 7.5% as tuition discounts grew by $1,560,251. New methods must be found to meet student financial need, and better allocation methods must be developed. The new Dean of Admissions and Financial Aid, Michael Thorp, an experienced admissions professional, is in agreement with the need to revise our financial aid packaging guidelines and will lead this effort to keep financial aid spending within our means.

Joan Straumanis
President

Antioch College

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues								
Tuition & Fees	7,489,824	8,104,416	8,253,237	8,365,203	111,966	1.36%	260,787	3.22%
Less Tuition Discounts	-2,367,796	-3,305,896	-3,543,525	-4,112,013	-568,488	-16.04%	-806,117	-24.38%
Net Tuition	5,122,028	4,798,520	4,709,712	4,253,190	-456,522	-9.69%	-545,330	-11.36%
Gifts	32,281	57,837	46,265	297,478	251,213	542.99%	239,641	414.34%
Grants	624,178	532,384	583,150	620,548	37,398	6.41%	88,164	16.56%
Endowment Income	95,142	40,544	45,750	45,468	-282	-0.62%	4,924	12.14%
Contracts	23,212	600	750	1,430	680	90.67%	830	138.33%
Realized Gains (Losses)	825	-2,827	0	-245	-245		2,582	91.33%
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	45,020	38,006	29,867	21,552	-8,315	-27.84%	-16,454	-43.29%
Total E&G Revenue	5,942,686	5,465,064	5,415,494	5,239,421	-176,073	-3.25%	-225,643	-4.13%
Auxiliary Enterprises	1,393,616	1,489,330	1,606,154	1,537,614	-68,540	-4.27%	48,284	3.24%
Released From Restrictions	2,341	527,759	738,045	343,126	-394,919	-53.51%	-184,633	-34.98%
Total Revenues	7,338,643	7,482,153	7,759,693	7,120,161	-639,532	-8.24%	-361,992	-4.84%
Operating Expenses								
Instruction	1,129,423	1,688,209	1,751,429	1,722,514	-28,915	-1.65%	34,305	2.03%
Research	0	0	252	0	-252		0	
Public Service	0	0	0	0	0		0	
Academic Support	235,933	247,211	289,830	265,497	-24,333	-8.40%	18,286	7.40%
Student Services	492,795	676,466	653,065	644,350	-8,715	-1.33%	-32,116	-4.75%
Institutional Support	985,903	592,307	666,310	608,645	-57,665	-8.65%	16,338	2.76%
Plant Maintenance	341,059	731,624	639,898	670,919	31,021	4.85%	-60,705	-8.30%
Scholarships	1,001,751	994,515	991,727	991,515	-212	-0.02%	-3,000	-0.30%
Total E&G Expenses	4,186,864	4,930,332	4,992,511	4,903,440	-89,071	-1.78%	-26,892	-0.55%
Auxiliary Enterprises	561,198	558,060	611,964	623,562	11,598	1.90%	65,502	11.74%
Total Operating Expenses	4,748,062	5,488,392	5,604,475	5,527,002	-77,473	-1.38%	38,610	0.70%
Excess Revenue over Expenses	2,590,581	1,993,761	2,155,218	1,593,159	-562,059	-26.08%	-400,602	-20.09%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	142,582	382,447	301,200	483,362	182,162	60.48%	100,915	26.39%
Borrowing Proceeds	-136,962	-58,031	-219,000	-219,000	0	0.00%	-160,969	-277.38%
Principal Payments	359,847	272,922	289,600	296,515	6,915	2.39%	23,593	8.64%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-355,546	-346,020	-350,130	-4,110	-1.19%	5,416	1.52%
Total Cash Items	365,467	241,792	25,780	210,747	184,967	717.48%	-31,045	-12.84%
Net Cash Basis Budget	2,225,114	1,751,969	2,129,438	1,382,412	-747,026	-35.08%	-369,557	-21.09%

Antioch College

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues	7,338,643	7,482,153	7,759,693	7,120,161	-639,532	-8.24%	-361,992	-4.84%
Operating Expenses								
Salaries & Wages	1,990,797	1,933,323	1,975,553	1,910,853	-64,700	-3.28%	-22,470	-1.16%
Benefits	731,514	718,364	803,908	856,587	52,679	6.55%	138,223	19.24%
Training & Development	129,115	263,005	333,792	261,557	-72,235	-21.64%	-1,448	-0.55%
Student Aid Services	875,707	872,747	871,523	893,824	22,301	2.56%	21,077	2.42%
Special Events	15,560	34,364	82,205	64,657	-17,548	-21.35%	30,293	88.15%
Supplies	182,464	260,700	216,009	129,608	-86,401	-40.00%	-131,092	-50.28%
Business Operations	369,869	791,446	779,803	757,693	-22,110	-2.84%	-33,753	-4.26%
Plant Maintenance	234,056	267,404	230,019	267,150	37,131	16.14%	-254	-0.09%
Interest Expense	71,379	39,379	28,406	23,739	-4,667	-16.43%	-15,640	-39.72%
Resale Costs	80,214	71,766	69,125	146,879	77,754	112.48%	75,113	104.66%
Miscellaneous	-923	78,707	68,878	59,576	-9,302	-13.51%	-19,131	-24.31%
Contingency/Reserves								
Campus Contingency, Mandatory	135,567	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	84,730	0	0	0	0		0	
Overhead								
To the University	282,692	0	0	0	0		0	
Rebates from the University	-137,500	0	0	0	0		0	
Subsidy from Adult Campuses	-50,000	0	0	0	0		0	
Subsidy from Overhead	-187,125	-150,000	-150,000	-150,000	0	0.00%	0	0.00%
Other (Intercampus Agree & Univ Conf)	-60,054	-48,359	-50,766	-45,251	5,515	10.86%	3,108	6.43%
Depreciation	0	355,546	346,020	350,130	4,110	1.19%	-5,416	-1.52%
Total Operating Expenses	4,748,062	5,488,392	5,604,475	5,527,002	-77,473	-1.38%	38,610	0.70%
Excess Revenue over Expenses	2,590,581	1,993,761	2,155,218	1,593,159	-562,059	-26.08%	-400,602	-20.09%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	142,582	382,447	301,200	483,362	182,162	60.48%	100,915	26.39%
Borrowing Proceeds	-136,962	-58,031	-219,000	-219,000	0	0.00%	-160,969	-277.38%
Principal Payments	359,847	272,922	289,600	296,515	6,915	2.39%	23,593	8.64%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-355,546	-346,020	-350,130	-4,110	-1.19%	5,416	1.52%
Total Cash Items	365,467	241,792	25,780	210,747	184,967	717.48%	-31,045	-12.84%
Net Cash Basis Budget	2,225,114	1,751,969	2,129,438	1,382,412	-747,026	-35.08%	-369,557	-21.09%

GLEN HELEN ECOLOGY INSTITUTE

2003-04 First Quarter Performance

Revenues: Total revenue for the quarter ending was $133,463, $17,870 above budget and $14,936 more than for the same period last year. Gifts revenue was $10,614, which is $1,800 below budget. Tuition and Fees (generated through programming at the Institute's Outdoor Education Center) are ahead of budget by $5,829. The school schedule is full and barring any cancellations, this should be a positive year for the Outdoor Education Center.

Although revenue for the quarter is ahead of budget, the Institute remains concerned about the future of overall individual giving for the year. The Glen's major annual funding campaign – The Morgan Society – will begin in October 2003.

Expenses: Operating expenses were favorable to budget by $1,655. Lower than budgeted Business Operations expense had a favorable variance of $12,904. Continued deterioration of the Glen's physical facilities and the construction of a boardwalk to reduce trail erosion and protect an adjacent wetland resulted in a negative Plant Maintenance variance of $7,358. Plant maintenance needs are expected to remain higher than budget through the fall and winter. Staff overtime related to the maintenance of the physical facilities resulted in a negative variance for Salaries and Wages of $2,198.

Actual Revenue over Expenses (Net Total) for the year to date is -$43,862 (up from -$41,107 for the same period in 2002-03). This is greater than expected and budgeted for in the first quarter by $19,525. The start of the annual campaign should result in a year-to-date favorable balance for the second quarter.

Budget Planning: Budget planning is now underway for Fiscal Year 2004-05. The Institute is anticipating a budget shortfall of $100,000 (assuming no major donations or additional revenue streams). Tentative plans will include operational cuts and consolidation of some positions.

To balance its budget, the Institute has historically relied upon the fundraising activities of its Development Committee, periodic but unexpected large donations, half-time salary support for its lone maintenances staff person by the College, and a small annual contribution from the GHA (with occasional larger donations to help offset budget deficits). The only steady revenue stream comes from program fees received through the Institute's Outdoor Education Center. This type of revenue must be extended to the whole of the Institute. To develop such a revenue fee system will take several years. In addition, an active grant writing program must be developed to help operate programs and direct funds to operations. Such revenue producing programs will enhance the current development efforts and provide a balanced funding approach by the Institute.

Short-term/Immediate Actions:

1. Business plan development.
2. Strategic plan development (using consultant's outline as foundation for plan).
3. Develop more specific fundraising activities and annual funding plan.
4. Organizational restructuring and consolidation.
5. Creation of distinct "revenue exploring" committees (this is a long-term effort, but needs to be done as soon as possible) – for example:
   - academic based programs
   - alternative OEC/Education based programs
   - enhanced facility use (e.g., retreats, workshops, business meetings) – to entail revised facility plan development with focus on revenue generating programs and activities

Comprehensive Actions:

1. Begin to develop a comprehensive advance planning process – this is critical to the success of the Institute. This process has begun, but must be accelerated with a particular emphasis on the Institute's funding needs.
2. As we seek to enhance Institute funding and develop appropriate plans, the following should be kept in mind:
   - Capital budgeting – it is essential to budget for capital improvements (directly related to the strategic planning process).
   - 3-5 year budget forecast – long-term budget planning. By planning for the long-term the necessary revenue streams may be identified.
   - Grants and Contracts – seek grants to support operations directly or indirectly, but understand that grants/donations aren't the primary solution to funding concerns
   - Develop cost recovery policies – part of business plan development. This will include determining the full cost of providing all services and programs. Which programs can legitimately recover costs? We must be careful to appropriately allocate subsidized services vs. income-producing uses.

- Seek to develop operating reserve (cover 3-6 months of operating expenses without additional revenue).
- Funding Sources – seek to develop a variety of funding sources. Emphasis may be placed on the annual campaign – the Institute must provide direct community leadership for the Glen and seek to build a sense of community. Board members may directly engage in such activities and seek to introduce the community to the Glen's activities, services and benefits provided. The annual campaign will establish relationships that may develop into potential major donations.
- Grants, donations and gifts should all be part of development efforts. While it is appropriate for the development committee to focus solely on fundraising, it shouldn't be the basic operational income for the Institute.

Robert S. Whyte
Executive Director

Glen Helen

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
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Revenues								
Tuition & Fees	32,081	23,183	23,560	29,389	5,829	24.74%	6,206	26.77%
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition	32,081	23,183	23,560	29,389	5,829	24.74%	6,206	26.77%
Gifts	7,213	5,576	12,414	10,614	-1,800	-14.50%	5,038	90.35%
Grants	0	0	1,875	6,758	4,883	260.43%	6,758	
Endowment Income	10,500	10,500	10,500	10,500	0	0.00%	0	0.00%
Contracts	1,962	3,023	1,626	659	-967	-59.47%	-2,364	-78.20%
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	0	0	51	10	-41		10	
Total E&G Revenue	51,756	42,282	50,026	57,930	7,904	15.80%	15,648	37.01%
Auxiliary Enterprises	60,885	47,328	47,650	57,413	9,763	20.49%	10,085	21.31%
Released From Restrictions	118,314	28,917	17,917	18,120	203	1.13%	-10,797	-37.34%
Total Revenues	230,955	118,527	115,593	133,463	17,870	15.46%	14,936	12.60%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	157,785	155,393	173,556	172,479	-1,077	-0.62%	17,086	11.00%
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	4,241	5,424	4,846	-578	-10.66%	605	14.27%
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	157,785	159,634	178,980	177,325	-1,655	-0.92%	17,691	11.08%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	157,785	159,634	178,980	177,325	-1,655	-0.92%	17,691	11.08%
Excess Revenue over Expenses	73,170	-41,107	-63,387	-43,862	19,525	30.80%	-2,755	-6.70%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	108,584	4,865	11,350	7,632	-3,718	-32.76%	2,767	56.88%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-4,241	-5,424	-4,846	578	10.66%	-605	-14.27%
Total Cash Items	108,584	624	5,926	2,786	-3,140	-52.99%	2,162	346.47%
Net Cash Basis Budget	-35,414	-41,731	-69,313	-46,648	22,665	32.70%	-4,917	-11.78%

Glen Helen

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues	230,955	118,527	115,593	133,463	17,870	15.46%	14,936	12.60%
Operating Expenses								
Salaries & Wages	73,982	78,647	88,486	90,684	2,198	2.48%	12,037	15.31%
Benefits	20,264	23,417	29,987	31,508	1,521	5.07%	8,091	34.55%
Training & Development	4,560	1,916	601	726	125	20.80%	-1,190	-62.11%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	46	0	233	233		187	406.52%
Supplies	8,890	8,036	9,738	13,303	3,565	36.61%	5,267	65.54%
Business Operations	14,388	18,340	14,934	2,030	-12,904	-86.41%	-16,310	-88.93%
Plant Maintenance	32,118	19,532	20,952	28,310	7,358	35.12%	8,778	44.94%
Interest Expense	0	27	18	11	-7	-38.89%	-16	-59.26%
Resale Costs	2,151	5,281	5,300	4,756	-544	-10.26%	-525	-9.94%
Miscellaneous	1,432	151	1,317	918	-399	-30.30%	767	507.95%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	2,223	0	-2,223	-100.00%	0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0		0	
Depreciation	0	4,241	5,424	4,846	-578	-10.66%	605	14.27%
Total Operating Expenses	157,785	159,634	178,980	177,325	-1,655	-0.92%	17,691	11.08%
Excess Revenue over Expenses	73,170	-41,107	-63,387	-43,862	19,525	30.80%	-2,755	-6.70%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	108,584	4,865	11,350	7,632	-3,718	-32.76%	2,767	56.88%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-4,241	-5,424	-4,846	578	10.66%	-605	-14.27%
Total Cash Items	108,584	624	5,926	2,786	-3,140	-52.99%	2,162	346.47%
Net Cash Basis Budget	-35,414	-41,731	-69,313	-46,648	22,665	32.70%	-4,917	-11.78%

ANTIOCH NEW ENGLAND GRADUATE SCHOOL
2003-04 First Quarter Performance

The first quarter of 2003-04 has begun at Antioch New England Graduate School with a significant enrollment shortfall that will create a shortfall in annual revenue of roughly $300,000. Add to this a division of summer enrollment revenue that effectively moved $95,000 of expected revenue for 2004 back into 2002-03, and we have a clear need to trim expenses and to extract some important lessons from these surprises.

Total enrollment for fall term was expected at 275, while actually enrollment was 237, including five certificate students who pay half tuition.

The cost-cutting efforts are underway, and straightforward. In addition, we have a few significant sources of additional revenue for the year, including a one-time gain of between $100,000 and $200,000 from an intellectual property sale in the UK.

The most important observation about our enrollment shortfall that we have made is that our nationally-driven programs have actually done quite well in enrollment this year, while our locally-driven programs have done very poorly so far. This is a significant observation for our institutional planning.

To date, our expenses have been below budget to balance out the shortfall we picked up for the summer term; we expect the fall term enrollment shortfall to create a shortfall that will reach balance as the year unfolds.

Peter S. Temes
President

Antioch New England Graduate School

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues								
Tuition & Fees	4,362,265	4,683,612	5,199,360	4,939,775	-259,585	-4.99%	256,163	5.47%
Less Tuition Discounts	-1,910	-1,680	-99,000	-91,588	7,412	7.49%	-89,908	-5351.67%
Net Tuition	4,360,355	4,681,932	5,100,360	4,848,187	-252,173	-4.94%	166,255	3.55%
Gifts	1,490	11,999	0	11,445	11,445		-554	-4.62%
Grants	219,874	214,458	375,762	532,040	156,278	41.59%	317,582	148.09%
Endowment Income	25,000	0	0	0	0		0	
Contracts	124,985	32,596	104,493	21,967	-82,526	-78.98%	-10,629	-32.61%
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	60,232	19,063	59,387	38,069	-21,318	-35.90%	19,006	99.70%
Total E&G Revenue	4,791,936	4,960,048	5,640,002	5,451,708	-188,294	-3.34%	491,660	9.91%
Auxiliary Enterprises	0	80	0	758	758		678	847.50%
Released From Restrictions	277,850	97,144	192,473	68,733	-123,740	-64.29%	-28,411	-29.25%
Total Revenues	5,069,786	5,057,272	5,832,475	5,521,199	-311,276	-5.34%	463,927	9.17%
Operating Expenses								
Instruction	1,115,840	1,152,748	1,504,036	1,188,657	-315,379	-20.97%	35,909	3.12%
Research	0	0	0	0	0		0	
Public Service	293,805	214,436	415,384	238,835	-176,549	-42.50%	24,399	11.38%
Academic Support	116,702	167,248	258,938	191,740	-67,198	-25.95%	24,492	14.64%
Student Services	154,638	157,931	190,106	167,788	-22,318	-11.74%	9,857	6.24%
Institutional Support	984,952	698,862	850,592	764,775	-85,817	-10.09%	65,913	9.43%
Plant Maintenance	151,883	272,998	305,015	297,909	-7,106	-2.33%	24,911	9.12%
Scholarships	71,739	80,614	106,125	68,299	-37,826	-35.64%	-12,315	-15.28%
Total E&G Expenses	2,889,559	2,744,837	3,630,196	2,918,003	-712,193	-19.62%	173,166	6.31%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	2,889,559	2,744,837	3,630,196	2,918,003	-712,193	-19.62%	173,166	6.31%
Excess Revenue over Expenses	2,180,227	2,312,435	2,202,279	2,603,196	400,917	18.20%	290,761	12.57%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	196,287	132,894	165,285	146,677	-18,608	-11.26%	13,783	10.37%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	8,335	13,325	0	11,364	11,364		-1,961	-14.72%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-117,766	-118,527	-119,347	-820	-0.69%	-1,581	-1.34%
Total Cash Items	204,622	28,453	46,758	38,694	-8,064	-17.25%	10,241	35.99%
Net Cash Basis Budget	1,975,605	2,283,982	2,155,521	2,564,502	408,981	18.97%	280,520	12.28%

Antioch New England Graduate School

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues	5,069,786	5,057,272	5,832,475	5,521,199	-311,276	-5.34%	463,927	9.17%
Operating Expenses								
Salaries & Wages	1,249,758	1,293,906	1,564,996	1,351,938	-213,058	-13.61%	58,032	4.49%
Benefits	414,759	490,573	554,516	546,031	-8,485	-1.53%	55,458	11.30%
Training & Development	129,530	85,628	139,994	82,816	-57,178	-40.84%	-2,812	-3.28%
Student Aid Services	29,448	54,845	69,726	45,141	-24,585	-35.26%	-9,704	-17.69%
Special Events	78	806	4,111	96	-4,015	-97.66%	-710	-88.09%
Supplies	38,325	27,161	66,063	38,044	-28,019	-42.41%	10,883	40.07%
Business Operations	333,837	277,077	442,570	272,797	-169,773	-38.36%	-4,280	-1.54%
Plant Maintenance	85,569	95,474	98,465	88,174	-10,291	-10.45%	-7,300	-7.65%
Interest Expense	101,451	101,453	100,964	106,410	5,446	5.39%	4,957	4.89%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	2,029	5,141	30,149	4,781	-25,368	-84.14%	-360	-7.00%
Contingency/Reserves								
Campus Contingency, Mandatory	176,150	0	95,156	0	-95,156	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	27,600	0	-27,600	-100.00%	0	
Liquidity Reserve	110,094	0	0	0	0		0	
Overhead								
To the University	302,758	185,831	231,969	231,967	-2	0.00%	46,136	24.83%
Rebates from the University	-114,497	0	0	0	0		0	
Subsidy from Adult Campuses	13,550	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	16,720	9,176	85,390	30,461	-54,929	-64.33%	21,285	231.96%
Depreciation	0	117,766	118,527	119,347	820	0.69%	1,581	1.34%
Total Operating Expenses	2,889,559	2,744,837	3,630,196	2,918,003	-712,193	-19.62%	173,166	6.31%
Excess Revenue over Expenses	2,180,227	2,312,435	2,202,279	2,603,196	400,917	18.20%	290,761	12.57%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	196,287	132,894	165,285	146,677	-18,608	-11.26%	13,783	10.37%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	8,335	13,325	0	11,364	11,364		-1,961	-14.72%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-117,766	-118,527	-119,347	-820	-0.69%	-1,581	-1.34%
Total Cash Items	204,622	28,453	46,758	38,694	-8,064	-17.25%	10,241	35.99%
Net Cash Basis Budget	1,975,605	2,283,982	2,155,521	2,564,502	408,981	18.97%	280,520	12.28%

ANTIOCH SEATTLE

2003-04 First Quarter Performance

GENERAL

Revenues and expenses are below budget for the First Quarter. The difference between revenue and expense is nearly $200,000 higher, on the positive side, than forecasted for this period. The revenue deficit is much lower than what AUS experienced at this time last year and Fall enrollments look better than they did at this time last year. So, while we are still being cautious with our spending and making a strong push on Fall enrollment, our financial situation and enrollment for Fall looks positive.

REVENUES

Total revenues for the first quarter 2003-04 are $731,545 higher than for the first quarter 2002-03. However, over 80% of this is attributable to reimbursements from the Gates Grant Early College Program for substantial, comparable expenditures that AUS made on their behalf to fund the various site programs. Gates Grant expenditures ramp up for one more year and then will taper off as the number of participating schools gets lower due to the first participants completing their three year funding. The remaining difference is that revenue from enrollments for the Summer Quarter were 6% higher than for the Summer last year.

In terms of budget, total revenues are about $130,000 below budget primarily because of tuition revenue shortfalls in selected programs and delayed grant expenditures. The tuition revenue shortfall (amounting to a net of $68,478) occurred in the BA Completion and Creative Change programs. The summer forecasts for BA were conservative, yet we were unable to achieve the budget target. We are addressing these issues including increasing promotion for the Fall Quarter. The preliminary application information for fall shows that we are close to target for new enrollments, but we realize that we will need to make up for the summer shortfall. In Creative Change, the summer enrollments may have been affected by the commencement of the redesigned Center program in the fall with new students delaying registration and continuing students holding off so that they could transfer into the new program. As with the BA program, the fall new student numbers for the redesigned program are positive at this point.

The other two major centers, Psychology and Education, achieved their budgeted summer enrollment targets overall.

In the grant programs, the shortfall ($16,810) was attributable to a corresponding reduction in reimbursable expenditures, especially in the Kellogg grant. The grant managers have been reducing discretionary expenditures in anticipation of the renewal of the Kellogg grant for this fiscal year, which has been delayed.

EXPENSES

On the expense side of the Function Report, most of the variance in the Instructional area resulted from salary savings from authorized positions that were in the process of being filled. In Academic Support, most of the variance was related to delayed spending in the grant programs as described above. Expenditures in Student Services, which includes advertising and printing connected with the marketing program, were much lower than anticipated in the early summer months. These promotional expenditures have been increasing as AUS promotes Fall enrollments. First Quarter expenditures in Institutional Support were lower than expected across the board. Utility billing cycles accounted for the decrease in anticipated Plant Maintenance expenditures.

In terms of the Category Report, the approximately $95,000 variance in the salary and benefits categories results from salary savings from unfilled positions. The variance in Training and Development is due to unexpended discretionary expenses, primarily in business travel, program development, and professional development. The variance in Business Operations has a number of causes, but this category also includes under-spending in the grant programs and promotional expenses discussed above as well as the general trend of holding back on spending over the summer until we know how fall enrollments come out. The Miscellaneous category also includes unexpended grant program budget. Miscellaneous also includes grant overhead funds which are treated as additional reserves until we know we have met our enrollment targets.

Toni Murdock
President

Antioch Seattle

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues								
Tuition & Fees	1,852,671	1,890,557	2,053,226	1,987,848	-65,378	-3.18%	97,291	5.15%
Less Tuition Discounts	-35,731	-43,813	-23,400	-26,500	-3,100	-13.25%	17,313	39.52%
Net Tuition	1,816,940	1,846,744	2,029,826	1,961,348	-68,478	-3.37%	114,604	6.21%
Gifts	2,529	1,062	7,500	1,991	-5,509	-73.45%	929	87.48%
Grants	28,579	33,040	52,476	35,666	-16,810	-32.03%	2,626	7.95%
Endowment Income	25,000	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	79,171	105,964	92,513	110,112	17,599	19.02%	4,148	3.91%
Total E&G Revenue	1,952,219	1,986,810	2,182,315	2,109,117	-73,198	-3.35%	122,307	6.16%
Auxiliary Enterprises	58,288	58,132	69,751	76,918	7,167	10.28%	18,786	32.32%
Released From Restrictions	395	62,371	715,712	652,823	-62,889	-8.79%	590,452	946.68%
Total Revenues	2,010,902	2,107,313	2,967,778	2,838,858	-128,920	-4.34%	731,545	34.71%
Operating Expenses								
Instruction	974,117	953,333	1,128,011	1,047,299	-80,712	-7.16%	93,966	9.86%
Research	0	0	0	0	0		0	
Public Service	232	618	504	49	-455	-90.28%	-569	-92.07%
Academic Support	91,293	166,234	855,958	787,458	-68,500	-8.00%	621,224	373.70%
Student Services	205,682	196,667	235,225	188,136	-47,089	-20.02%	-8,531	-4.34%
Institutional Support	812,066	592,540	686,847	631,916	-54,931	-8.00%	39,376	6.65%
Plant Maintenance	211,341	335,871	374,594	337,805	-36,789	-9.82%	1,934	0.58%
Scholarships	28,579	37,783	57,092	35,617	-21,475	-37.61%	-2,166	-5.73%
Total E&G Expenses	2,323,310	2,283,046	3,338,231	3,028,280	-309,951	-9.28%	745,234	32.64%
Auxiliary Enterprises	79,047	44,788	69,309	78,728	9,419	13.59%	33,940	75.78%
Total Operating Expenses	2,402,357	2,327,834	3,407,540	3,107,008	-300,532	-8.82%	779,174	33.47%
Excess Revenue over Expenses	-391,455	-220,521	-439,762	-268,150	171,612	39.02%	-47,629	-21.60%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	86,368	42,051	165,656	166,076	420	0.25%	124,025	294.94%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-116,510	-114,069	-116,287	-2,218	-1.94%	223	0.19%
Total Cash Items	86,368	-74,459	51,587	49,789	-1,798	-3.49%	124,248	166.87%
Net Cash Basis Budget	-477,823	-146,062	-491,349	-317,939	173,410	35.29%	-171,877	-117.67%

Antioch Seattle

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues	2,010,902	2,107,313	2,967,778	2,838,858	-128,920	-4.34%	731,545	34.71%
Operating Expenses								
Salaries & Wages	1,209,086	1,224,603	1,438,349	1,373,335	-65,014	-4.52%	148,732	12.15%
Benefits	294,049	306,366	383,387	353,888	-29,499	-7.69%	47,522	15.51%
Training & Development	24,279	38,893	65,839	37,397	-28,442	-43.20%	-1,496	-3.85%
Student Aid Services	12,086	13,123	15,128	12,445	-2,683	-17.74%	-678	-5.17%
Special Events	2,349	9,339	5,276	8,798	3,522	66.76%	-541	-5.79%
Supplies	23,704	37,607	29,071	21,720	-7,351	-25.29%	-15,887	-42.24%
Business Operations	118,813	130,682	172,316	92,522	-79,794	-46.31%	-38,160	-29.20%
Plant Maintenance	64,876	76,092	114,052	74,333	-39,719	-34.83%	-1,759	-2.31%
Interest Expense	145,791	146,014	141,801	142,788	987	0.70%	-3,226	-2.21%
Resale Costs	59,124	26,946	44,004	54,884	10,880	24.73%	27,938	103.68%
Miscellaneous	1,286	4,465	633,077	559,948	-73,129	-11.55%	555,483	12440.83%
Contingency/Reserves								
Campus Contingency, Mandatory	153,796	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	115,347	0	0	0	0		0	
Overhead								
To the University	264,339	184,765	236,538	236,537	-1	0.00%	51,772	28.02%
Rebates from the University	-99,969	0	0	0	0		0	
Subsidy from Adult Campuses	13,401	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	12,429	14,633	22,126	7,493	51.21%	9,697	78.02%
Depreciation	0	116,510	114,069	116,287	2,218	1.94%	-223	-0.19%
Total Operating Expenses	2,402,357	2,327,834	3,407,540	3,107,008	-300,532	-8.82%	779,174	33.47%
Excess Revenue over Expenses	-391,455	-220,521	-439,762	-268,150	171,612	39.02%	-47,629	-21.60%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	86,368	42,051	165,656	166,076	420	0.25%	124,025	294.94%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-116,510	-114,069	-116,287	-2,218	-1.94%	223	0.19%
Total Cash Items	86,368	-74,459	51,587	49,789	-1,798	-3.49%	124,248	166.87%
Net Cash Basis Budget	-477,823	-146,062	-491,349	-317,939	173,410	35.29%	-171,877	-117.67%

ANTIOCH SOUTHERN CALIFORNIA
2003-04 First Quarter Performance

The first Quarter has been busy with my arrival to take over the leadership of the two campuses. We have been occupied in discussions with Travers (our realtors) and the landlord of a potential site for our Los Angeles relocation and the moment of decision seems close at hand. The Santa Barbara campus has concluded a review of the organizational structure and we will be engaged in discussion of the recommendations with a view to moving forward to selective implementation.

Operating Revenues

Summer enrollments came in exactly on target overall, with a shortfall of 15 FTUE at SB made up by higher than projected enrollment of 16 at LA. Fall enrollments are soft and we have a tuition revenue shortfall of about $100,000 to the end of September. Special measures were taken by the Academic Deans at the two campuses resulting in larger enrollments in the MAP program. The BA program has a significant drop at both campuses and one wonders if this is a temporary aberration or a secular trend. We are analyzing available information and waiting for the completion of late registration to have a fix on enrollments through the rest of the year. We will make budget adjustments if the enrollment picture continues to be poor. That is Hobson's choice in a totally tuition-dependent institution!

Operating Expenses

We have savings in salary accounts due to a few remaining vacancies, but expect to fill all positions in the Fall. (We have advertised for a Development Director).

The savings in Training & Development are on account of timing; program development, professional development and travel funds have not been spent as projected.

Business operation lines also show savings due to legal, advertising, consulting and purchased services lines being under-spent at this stage.

Overall, we expect to come in on target with operating expenses at year-end.

LucyAnn Geiselman
President

Antioch Southern California

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
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Revenues								
Tuition & Fees	4,364,055	4,974,436	5,435,935	5,448,810	12,875	0.24%	474,374	9.54%
Less Tuition Discounts	-49,614	-16,317	-34,234	-19,500	14,734	43.04%	-3,183	-19.51%
Net Tuition	4,314,441	4,958,119	5,401,701	5,429,310	27,609	0.51%	471,191	9.50%
Gifts	550	1,297	5,751	90	-5,661	-98.44%	-1,207	-93.06%
Grants	27,992	31,579	65,961	76,451	10,490	15.90%	44,872	142.09%
Endowment Income	25,000	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	6,300	19,553	5,018	6,924	1,906	37.98%	-12,629	-64.59%
Total E&G Revenue	4,374,283	5,010,548	5,478,431	5,512,775	34,344	0.63%	502,227	10.02%
Auxiliary Enterprises	56,352	40,130	51,011	56,266	5,255	10.30%	16,136	40.21%
Released From Restrictions	28,029	2,147	42,908	1,214	-41,694	-97.17%	-933	-43.46%
Total Revenues	4,458,664	5,052,825	5,572,350	5,570,255	-2,095	-0.04%	517,430	10.24%
Operating Expenses								
Instruction	895,753	943,747	1,213,934	1,052,909	-161,025	-13.26%	109,162	11.57%
Research	0	0	0	0	0		0	
Public Service	37,764	43,701	57,567	47,106	-10,461	-18.17%	3,405	7.79%
Academic Support	179,067	140,714	213,431	178,705	-34,726	-16.27%	37,991	27.00%
Student Services	302,084	240,271	329,230	360,998	31,768	9.65%	120,727	50.25%
Institutional Support	904,373	677,866	859,354	683,935	-175,419	-20.41%	6,069	0.90%
Plant Maintenance	409,784	439,968	446,309	544,201	97,892	21.93%	104,233	23.69%
Scholarships	30,459	35,706	45,186	49,766	4,580	10.14%	14,060	39.38%
Total E&G Expenses	2,759,284	2,521,973	3,165,011	2,917,620	-247,391	-7.82%	395,647	15.69%
Auxiliary Enterprises	23,856	38,249	65,171	45,581	-19,590	-30.06%	7,332	19.17%
Total Operating Expenses	2,783,140	2,560,222	3,230,182	2,963,201	-266,981	-8.27%	402,979	15.74%
Excess Revenue over Expenses	1,675,524	2,492,603	2,342,168	2,607,054	264,886	11.31%	114,451	4.59%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	26,231	0	0	21,997	21,997		21,997	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	1,731	7,524	0	9,093	9,093		1,569	20.85%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-31,851	-31,191	-45,495	-14,304	-45.86%	-13,644	-42.84%
Total Cash Items	27,962	-24,327	-31,191	-14,405	16,786	53.82%	9,922	40.79%
Net Cash Basis Budget	1,647,562	2,516,930	2,373,359	2,621,459	248,100	10.45%	104,529	4.15%

Antioch Southern California

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues	4,458,664	5,052,825	5,572,350	5,570,255	-2,095	-0.04%	517,430	10.24%
Operating Expenses								
Salaries & Wages	1,204,324	1,223,948	1,513,767	1,398,412	-115,355	-7.62%	174,464	14.25%
Benefits	287,943	329,148	455,160	398,274	-56,886	-12.50%	69,126	21.00%
Training & Development	23,962	36,995	79,441	31,399	-48,042	-60.48%	-5,596	-15.13%
Student Aid Services	12,937	15,383	12,114	14,132	2,018	16.66%	-1,251	-8.13%
Special Events	1,872	142	5,039	912	-4,127	-81.90%	770	542.25%
Supplies	46,820	33,592	47,329	44,276	-3,053	-6.45%	10,684	31.81%
Business Operations	236,625	239,077	285,478	258,712	-26,766	-9.38%	19,635	8.21%
Plant Maintenance	398,204	398,085	400,571	468,685	68,114	17.00%	70,600	17.73%
Interest Expense	3,383	11,218	13,394	11,168	-2,226	-16.62%	-50	-0.45%
Resale Costs	14,905	28,037	54,501	34,652	-19,849	-36.42%	6,615	23.59%
Miscellaneous	-225	1,831	2,163	11	-2,152	-99.49%	-1,820	-99.40%
Contingency/Reserves								
Campus Contingency, Mandatory	199,606	0	32,698	0	-32,698	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	40,976	1,204	-39,772	-97.06%	1,204	
Liquidity Reserve	124,754	0	0	0	0		0	
Overhead								
To the University	343,074	210,915	250,870	250,869	-1	0.00%	39,954	18.94%
Rebates from the University	-129,744	0	0	0	0		0	
Subsidy from Adult Campuses	14,700	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	5,490	5,000	-490	-8.93%	5,000	
Depreciation	0	31,851	31,191	45,495	14,304	45.86%	13,644	42.84%
Total Operating Expenses	2,783,140	2,560,222	3,230,182	2,963,201	-266,981	-8.27%	402,979	15.74%
Excess Revenue over Expenses	1,675,524	2,492,603	2,342,168	2,607,054	264,886	11.31%	114,451	4.59%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	26,231	0	0	21,997	21,997		21,997	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	1,731	7,524	0	9,093	9,093		1,569	20.85%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-31,851	-31,191	-45,495	-14,304	-45.86%	-13,644	-42.84%
Total Cash Items	27,962	-24,327	-31,191	-14,405	16,786	53.82%	9,922	40.79%
Net Cash Basis Budget	1,647,562	2,516,930	2,373,359	2,621,459	248,100	10.45%	104,529	4.15%

ANTIOCH UNIVERSITY McGREGOR
2003-04 First Quarter Performance

This report will provide an overview of the first quarter of the fiscal year at McGregor. We are pleased that the enrollment stabilization and growth is continuing. Keep in mind the full financial picture may not be reflected in the accompanying schedules as our fall enrollment period is just ending.

REVENUE

Antioch University McGregor enjoyed another very positive summer, setting the tone for the year. We realized over $100,000 in *unbudgeted* revenue during the summer term. Our Educational Leadership Seminar Series (professional development education for teachers) outperformed revenue projections by $16,700. The Weekend College was 23 FTE over budget projections, generating an additional $64,000. This is an important figure, as only a few years ago, some believed our downward spiral in that program should force its closure. Our graduate programs added another $20,000+.

In addition to strong recruitment, we have noted that our undergraduate students are registering for a larger academic load than in previous years. Part of this is due to the large number of credits required by our Liberal Arts major, as well as the fact that fewer students took the summer off, and finally, there seems to be a trend in "fast tracking" to completion across all majors.

Fall Quarter 2003 - We faced a unique challenge this year as over 250 students graduated in 2002-03. This was the largest graduating class in Antioch McGregor history. Because of the diminishing number of continuing students, we set a high bar for fall new student recruitment. To further challenge us, one of our (four) enrollment officers fell victim to an extended illness during the height of fall recruitment. The institution set a goal of 252 FTE/students for fall quarter. While missing one recruiter, Antioch McGregor brought in over 270 FTE/students. The overage is reflected entirely in our education offerings as we added one cohort of 25 students to Early Childhood Education and increased our cohort sizes in Middle Childhood and Adolescent/Young Adult licensure.

After the end of add/drop, we anticipate that we will have $150,000 in revenue over budget in fall quarter 2003.

Fall quarter new students by academic program:

35 – Weekend College
20 – Individualized Liberal & Professional Studies
21 – Conflict Resolution
30 – Graduate Management
48 – M.Ed. in Educational Leadership
50 – M.Ed. in Early Childhood Education
25 – M.Ed. in Intervention Specialist (Special Ed)
20 – M.Ed. in Middle Childhood Education
26 – Adolescent/Young Adult Teacher Licensure

A very important issue – our programs are two years. That means we have a lot of pressure on limited staff to constantly peruse the environment and turn around enrollments regularly.

Continuing Education - Not reflected in revenue projections in this fiscal year is a new partnership with *The Connecting Link* (www.connectinglink.com), an educational training company that provides high quality, graduate level, continuing education. Antioch McGregor was approached to be their sole partner in Ohio after being recommended by the Ohio Board of Regents as a quality graduate education provider. Courses are provided across the state and on-line and are being offered fall and winter quarters. We do not know what this will generate, but our expenses are limited to internal overhead related to electronic curriculum management and data entry. The Connecting Link handles all marketing, faculty, materials and related expenses.

Special Projects and Updates

Antioch University McGregor will be profiled in Pat Summerall's program entitled *Champions of Industry, Spotlight on Education*. The segment will air on The Discovery Channel Network, October 21 at 7:00am Eastern and Pacific. The show was taped this summer at McGregor's Classroom 2005 at the Entrepreneurs in Dayton and on the main campus in Yellow Springs. The show documents Antioch's history of innovation in higher education, from Horace Mann to the ground-breaking classroom of the future. Antioch McGregor was selected based on the history of innovation at Antioch relative to the size of the school in its market size. In the show, Dayton Mayor Rhine McLin remarks, *Something about being in the Miami Valley just vibrates creativity, innovation, and technology. And (Antioch University) McGregor is part of it.*

There are two significant accreditation projects that will occupy Antioch McGregor this academic year. The first is the re-authorization process with the Ohio Board of Regents which permits us to legally do business in the State of Ohio. This is mandated by the Ohio Board of Regents after the formal NCA re-accreditation process has been completed. It is a thorough and comprehensive process which must be completed before the end of 2003 and will occupy a major amount of Antioch McGregor Academic Dean Steve Brzezinski's time during the fall quarter. Antioch College is engaged in this same process during the quarter because the Board of Regents has requested two separate submissions rather than a combined effort.

The second project is preparation for the Ohio Department of Education/NCATE evaluation of our education programs scheduled for the fall of 2004. This evaluation is extraordinarily detailed and complex and it is necessary to begin the planning and preparation for this important evaluation now rather than later. Part of the time of two faculty members is now dedicated to this project, and expenditures for this initiative during the present academic year are estimated at $20,000.

One difficulty we are having is finding enough new faculty members to adequately staff our rapidly growing education programs. Relatively modest faculty salaries at McGregor make multiple hiring somewhat problematic, although paradoxically this has a very positive short-term implication for our budget since the vacant positions were fully budgeted. Although the only long-term solution is new faculty hires, the Director of Education Programs has been quite successful in hiring at the Associate Faculty level a number of experienced, extraordinary professional educators to help the program meet its present commitment to students with a level of excellence far superior to simply hiring a variety of Adjunct Faculty to teach necessary courses. This is a very creative solution to present problems, but clearly not sufficient in the long run.

NEXT STEPS/SUMMARY

There are two substantial projects taking place at McGregor. The first is a detailed strategic plan that will provide the Board very useful information about our future. The draft is due from academic leaders January 15; support offices will then prepare their part. We have also commissioned studies to inform this process. They include one on economic impact. The economic impact study will be very helpful in identifying McGregor's "value-added" in this region and beyond.

The second project is facilities review for renovation or a new building. This issue will be presented at the Facilities Committee meeting, including a brief presentation by our architects. Indeed, this is a rather controversial issue as change often will be. But frankly, it is a great problem – we are doing well, we need to expand, and we need Board support.

We have adjusted salaries, filled vacant positions and now is the time to build the appropriate capacity to serve learners. To reinforce this point, we turned away nearly $800,000 in revenue because we have raised the bar on admission, we either were short of faculty or in most cases – did not have the space. I believe this makes the point.

Barbara Gellman-Danley
President

Antioch University McGregor

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues								
Tuition & Fees	614,261	733,224	793,517	927,180	133,663	16.84%	193,956	26.45%
Less Tuition Discounts	-22,065	0	0	-11,116	-11,116		-11,116	
Net Tuition	592,196	733,224	793,517	916,064	122,547	15.44%	182,840	24.94%
Gifts	3,500	2,498	20,001	1,471	-18,530	-92.65%	-1,027	-41.11%
Grants	56,708	43,915	16,254	23,110	6,856	42.18%	-20,805	-47.38%
Endowment income	25,000	0	0	0	0		0	
Contracts	48,637	210	14,001	78	-13,923	-99.44%	-132	-62.86%
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	1,938	-1,597	3,969	2,371	-1,598	-40.26%	3,968	248.47%
Total E&G Revenue	727,979	778,250	847,742	943,094	95,352	11.25%	164,844	21.18%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	0	0	19,356	4,954	-14,402	-74.41%	4,954	
Total Revenues	727,979	778,250	867,098	948,048	80,950	9.34%	169,798	21.82%
Operating Expenses								
Instruction	521,072	632,002	816,092	703,336	-112,756	-13.82%	71,334	11.29%
Research	0	0	0	0	0		0	
Public Service	0	0	12,516	1,317	-11,199	-89.48%	1,317	
Academic Support	16,614	7,580	5,001	7,278	2,277	45.53%	-302	-3.98%
Student Services	123,764	199,828	246,083	239,566	-6,517	-2.65%	39,738	19.89%
Institutional Support	479,293	359,497	453,777	412,189	-41,588	-9.16%	52,692	14.66%
Plant Maintenance	26,577	81,032	89,766	90,128	362	0.40%	9,096	11.23%
Scholarships	1,762	2,566	3,504	8,595	5,091	145.29%	6,029	234.96%
Total E&G Expenses	1,169,082	1,282,505	1,626,739	1,462,409	-164,330	-10.10%	179,904	14.03%
Auxiliary Enterprises	0		0		0		0	
Total Operating Expenses	1,169,082	1,282,505	1,626,739	1,462,409	-164,330	-10.10%	179,904	14.03%
Excess Revenue over Expenses	-441,103	-504,255	-759,641	-514,361	245,280	32.29%	-10,106	-2.00%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	5,272	5,500	10,000	28,323	18,323	183.23%	22,823	414.96%
Borrowing Proceeds	-5,272	0	0	0	0		0	
Principal Payments	16,818	18,445	0	0	0		-18,445	-100.00%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-48,837	-56,244	-56,608	-364	-0.65%	-7,771	-15.91%
Total Cash Items	16,818	-24,892	-46,244	-28,285	17,959	38.84%	-3,393	-13.63%
Net Cash Basis Budget	-457,921	-479,363	-713,397	-486,076	227,321	31.86%	-6,713	-1.40%

Antioch University McGregor

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues	727,979	778,250	867,098	948,048	80,950	9.34%	169,798	21.82%
Operating Expenses								
Salaries & Wages	601,876	633,492	735,535	679,082	-56,453	-7.68%	45,590	7.20%
Benefits	178,565	224,223	269,596	248,058	-21,538	-7.99%	23,835	10.63%
Training & Development	5,868	17,363	45,797	12,959	-32,838	-71.70%	-4,404	-25.36%
Student Aid Services	5,167	37,889	52,304	35,806	-16,498	-31.54%	-2,083	-5.50%
Special Events	7,111	6,263	8,786	16,802	8,016	91.24%	10,539	168.27%
Supplies	3,294	20,415	28,053	14,175	-13,878	-49.47%	-6,240	-30.57%
Business Operations	93,915	145,825	212,949	196,528	-16,421	-7.71%	50,703	34.77%
Plant Maintenance	27,635	7,006	14,694	13,854	-840	-5.72%	6,848	97.74%
Interest Expense	6,265	5,315	5,499	2,344	-3,155	-57.37%	-2,971	-55.90%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	0	667	1,992	1,148	-844	-42.37%	481	72.11%
Contingency/Reserves								
Campus Contingency, Mandatory	69,318	0	15,242	0	-15,242	-100.00%	0	
Campus Program Contingency, Discrestionary	0	0	0	0	0		0	
Liquidity Reserve	43,324	0	0	0	0		0	
Overhead								
To the University	119,140	103,015	146,526	146,525	-1	0.00%	43,510	42.24%
Rebates from the University	-45,057	0	0	0	0		0	
Subsidy from Adult Campuses	8,350	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	44,311	32,195	33,522	38,520	4,998	14.91%	6,325	19.65%
Depreciation	0	48,837	56,244	56,608	364	0.65%	7,771	15.91%
Total Operating Expenses	1,169,082	1,282,505	1,626,739	1,462,409	-164,330	-10.10%	179,904	14.03%
Excess Revenue over Expenses	-441,103	-504,255	-759,641	-514,361	245,280	32.29%	-10,106	-2.00%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	5,272	5,500	10,000	28,323	18,323	183.23%	22,823	414.96%
Borrowing Proceeds	-5,272	0	0	0	0		0	
Principal Payments	16,818	18,445	0	0	0		-18,445	-100.00%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-48,837	-56,244	-56,608	-364	-0.65%	-7,771	-15.91%
Total Cash Items	16,818	-24,892	-46,244	-28,285	17,959	38.84%	-3,393	-13.63%
Net Cash Basis Budget	-457,921	-479,363	-713,397	-486,076	227,321	31.86%	-6,713	-1.40%

Ph.D. in LEADERSHIP AND CHANGE
2003-04 First Quarter Performance

The 2003-04 annual term for the Ph.D. Program has started off very successfully. We held the 7-day Summer kick-off residency in Yellow Springs in mid-August. Student evaluations indicate that the residency was a wonderful learning experience, meeting or exceeding expectations in 100% of the evaluations!

We now have 61 active doctoral students (three over projection!), with three other students on leave for personal reasons. We have 7 Core Faculty (4 full-time, plus another half-time, in addition to Al Guskin at 25% and Laurien Alexandre splitting her time at 50% faculty and 50% administration) for a total of 5.25 FTE Faculty. In addition, we are paying for a full-time graduate research librarian at ANE for the first time this year; and, we have added one support staff in the program office in Yellow Springs. So, our little doctoral community has definitely grown since its start in January 2002!

In terms of the budget, tuition income is $68,000 over what was projected, for an annual total of $1,054,050: a million-dollar level of tuition-generated income in less than two years! Program expenditures are at appropriate and budgeted levels. We need to take into account that the months of July-September witness slightly higher expenses due to the 7-day residency and all the costs associated with that gathering. Thus, cost lines that show actuals at higher than projected (such as travel, honoraria) are at those levels expectedly and the actuals will decline back down to allocated levels in future months.

All indications are that we will have a strong year.

Laurien Alexandre
Director

Ph.D in Leadership and Change

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
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Revenues								
Tuition & Fees	1,500	617,200	986,939	1,056,900	69,961	7.09%	439,700	71.24%
Less Tuition Discounts	0	-5,500	-4,500	-18,650	-14,150	-314.44%	-13,150	-239.09%
Net Tuition	1,500	611,700	982,439	1,038,250	55,811	5.68%	426,550	69.73%
Gifts	0	0	0	0	0		0	
Grants	0	0	15,741	10,938	-4,803	-30.51%	10,938	
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	0	610	1,122	2,624	1,502	133.87%	2,014	330.16%
Total E&G Revenue	1,500	612,310	999,302	1,051,812	52,510	5.25%	439,502	71.78%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	0	0	0	6,302	6,302		6,302	
Total Revenues	1,500	612,310	999,302	1,058,114	58,812	5.89%	445,804	72.81%
Operating Expenses								
Instruction	0	147,948	247,070	252,091	5,021	2.03%	104,143	70.39%
Research	0	0	0	0	0		0	
Public Service	0	0	15,757	22,526	6,769	42.96%	22,526	
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	1,012	417	1,318	901	216.07%	306	30.24%
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	0	148,960	263,244	275,935	12,691	4.82%	126,975	85.24%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	0	148,960	263,244	275,935	12,691	4.82%	126,975	85.24%
Excess Revenue over Expenses	1,500	463,350	736,058	782,179	46,121	6.27%	318,829	68.81%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	0	0		0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-1,012	-417	-1,318	-901	-216.07%	-306	-30.24%
Total Cash Items	0	-1,012	-417	-1,318	-901	-216.07%	-306	-30.24%
Net Cash Basis Budget	1,500	464,362	736,475	783,497	47,022	6.38%	319,135	68.73%

Ph.D in Leadership and Change

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues	1,500	612,310	999,302	1,058,114	58,812	5.89%	445,804	72.81%
Operating Expenses								
Salaries & Wages	0	75,836	145,968	150,845	4,877	3.34%	75,009	98.91%
Benefits	0	26,585	45,879	46,683	804	1.75%	20,098	75.60%
Training & Development	0	17,139	24,135	27,269	3,134	12.99%	10,130	59.10%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	0	1,459	3,009	2,437	-572	-19.01%	978	67.03%
Business Operations	0	23,140	29,793	40,368	10,575	35.49%	17,228	74.45%
Plant Maintenance	0	2,929	1,251	3,278	2,027	162.03%	349	11.92%
Interest Expense	0	171	126	418	292	231.75%	247	144.44%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	0	689	504	41	-463	-91.87%	-648	-94.05%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	7,611	0	-7,611	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	672	672	0		672	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	3,879	2,606	-1,273	-32.82%	2,606	
Depreciation	0	1,012	417	1,318	901	216.07%	306	30.24%
Total Operating Expenses	0	148,960	263,244	275,935	12,691	4.82%	126,975	85.24%
Excess Revenue over Expenses	1,500	463,350	736,058	782,179	46,121	6.27%	318,829	68.81%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	0	0		0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-1,012	-417	-1,318	-901	-216.07%	-306	-30.24%
Total Cash Items	0	-1,012	-417	-1,318	-901	-216.07%	-306	-30.24%
Net Cash Basis Budget	1,500	464,362	736,475	783,497	47,022	6.38%	319,135	68.73%

ANTIOCH UNIVERSITY ADMINISTRATION
2003-04 First Quarter Performance

The University Administration's income is provided primarily by the nonresidential campuses. In the first quarter of 2003-04, Other Income shows a negative $6,179. This is due to the loss on the sale of the vehicle that had been assigned to the previous Chancellor. The car had been under lease, but was not being used by the new Chancellor. Therefore, a decision was made to sell the car and ads were placed in area newspapers for several months. Eventually, the University found a buyer and a price was negotiated. The price was close to the market value for the car, but less than the book value that the University had recorded when the lease was initiated.

Operating expenses are in line with the budget for the quarter and reflect only minor variances. Travel is slightly above budget for the quarter due to Board work and the search for the president in Southern California. Overall, the budget is on track.

Glenn Watts
Vice Chancellor and
Chief Financial Officer

University Administration

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition	0	0	0	0	0		0	
Gifts	0	0	0	1,447	1,447		1,447	
Grants	0	0	0	0	0		0	
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	0	0	0	-6,179	-6,179		-6,179	
Total E&G Revenue	0	0	0	-4,732	-4,732		-4,732	
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	0	0	0	0	0		0	
Total Revenues	0	0	0	-4,732	-4,732		-4,732	
Net Overhead for Central Operations	521,989	513,757	513,662	514,932	-1,270	-0.25%	1,175	0.23%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	0	0	0	0	0		0	
Academic Support	0	0	0	0	0		0	
Student Services	22,810	22,297	27,536	22,963	-4,573	-16.61%	666	2.99%
Institutional Support	491,983	485,181	486,126	484,936	-1,190	-0.24%	-245	-0.05%
Plant Maintenance	0	0	0	0	0		0	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	514,793	507,478	513,662	507,899	-5,763	-1.12%	421	0.08%
Auxiliary Enterprises					0		0	
Total Operating Expenses	514,793	507,478	513,662	507,899	-5,763	-1.12%	421	0.08%
Excess Revenue over Expenses	7,196	6,279	0	2,301	2,301		-3,978	-63.35%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	7,196	6,279	0	2,301	2,301		-3,978	-63.35%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	0	0	0		0	
Total Cash Items	7,196	6,279	0	2,301	2,301		-3,978	-63.35%
Net Cash Basis Budget	0	0	0	0	0		0	

University Administration

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
	--------	--------	--------	--------	--------	--------	--------	--------
Revenues	521,989	513,756	513,662	510,200	-3,462	-0.67%	-3,556	-0.69%
Operating Expenses								
Salaries & Wages	251,974	234,733	230,487	231,849	1,362	0.59%	-2,884	-1.23%
Benefits	81,771	81,683	91,718	86,112	-5,606	-6.11%	4,429	5.42%
Training & Development	14,507	14,924	15,683	20,962	5,279	33.66%	6,038	40.46%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	4,415	0	0	0		-4,415	-100.00%
Supplies	7,069	6,801	4,901	5,078	177	3.61%	-1,723	-25.33%
Business Operations	35,288	30,859	28,436	29,915	1,479	5.20%	-944	-3.06%
Plant Maintenance	122,719	133,937	136,181	133,722	-2,459	-1.81%	-215	-0.16%
Interest Expense	29	0	0	58	58		58	
Resale Costs	0	0	0	0	0		0	
Miscellaneous	297	125	504	203	-301	-59.72%	78	62.40%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	5,752	0	-5,752	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	1,139	0	0	0	0		0	
Depreciation	0	0	0	0	0		0	
Total Operating Expenses	514,793	507,477	513,662	507,899	-5,763	-1.12%	422	0.08%
Excess Revenue over Expenses	7,196	6,279	0	2,301	2,301		-3,978	-63.35%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	7,196	6,279	0	2,301	2,301		-3,978	-63.35%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	0	0	0		0	
Total Cash Items	7,196	6,279	0	2,301	2,301		-3,978	-63.35%
Net Cash Basis Budget	0	0	0	0	0		0	

ANTIOCH REVIEW

2003-04 First Quarter Performance

We see no changes in revenue, although Gift income is lagging the budget. The bulk of our renewals come at the end of the year. The fall issue is on schedule, with essays on the current state of museums a special feature. The winter issue is in process --a special poetry issue edited by Judith Hall. An essay "Is Nothing Sacred? The Eclipse of the Holy in Contemporary Christianity" was noted by the Chronicle of Higher Education in its magazine and journal reader column and a positive review of an earlier issue appeared in the Small Press Review. The editor attended the "New York is Book Country" fair and met with writers and alums. We have added five volunteer readers for fiction and plans are underway to have several fund raisers in 2003-04. An historical marker set out on front campus about the College notes the founding of the Review in 1941.

Robert Fogarty
Editor

Antioch Review

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition	0	0	0	0	0		0	
Gifts	555	1,383	3,300	975	-2,325	-70.45%	-408	-29.50%
Grants	3,084	3,499	2,750	2,751	1	0.04%	-748	-21.38%
Endowment Income	2,350	2,045	2,376	2,217	-159	-6.69%	172	8.41%
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	2,462	2,040	1,700	2,127	427	25.12%	87	4.26%
Total E&G Revenue	8,451	8,967	10,126	8,070	-2,056	-20.30%	-897	-10.00%
Auxiliary Enterprises	5,228	3,161	6,200	4,966	-1,234	-19.90%	1,805	57.10%
Released From Restrictions	0		0	0	0		0	
Total Revenues	13,679	12,128	16,326	13,036	-3,290	-20.15%	908	7.49%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	40,166	39,123	40,457	41,406	949	2.35%	2,283	5.84%
Academic Support	0	0	0	0	0		0	
Student Services	0	0	0	0	0		0	
Institutional Support	0	0	0	0	0		0	
Plant Maintenance	0	0	0	361	361		361	
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	40,166	39,123	40,457	41,767	1,310	3.24%	2,644	6.76%
Auxiliary Enterprises	0	0	0		0		0	
Total Operating Expenses	40,166	39,123	40,457	41,767	1,310	3.24%	2,644	6.76%
Excess Revenue over Expenses	-26,487	-26,995	-24,131	-28,731	-4,600	-19.06%	-1,736	-6.43%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	0	0		0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	0	0	-361	-361		-361	
Total Cash Items	0	0	0	-361	-361		-361	
Net Cash Basis Budget	-26,487	-26,995	-24,131	-28,370	-4,239	-17.57%	-1,375	-5.09%

Antioch Review

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
Revenues	13,679	12,128	16,326	13,036	-3,290	-20.15%	908	7.49%
Operating Expenses								
Salaries & Wages	12,563	12,789	13,632	12,577	-1,055	-7.74%	-212	-1.66%
Benefits	6,338	6,824	7,993	7,450	-543	-6.79%	626	9.17%
Training & Development	0	402	1,051	400	-651	-61.94%	-2	-0.50%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	86	9	110	28	-82	-74.55%	19	211.11%
Business Operations	21,179	19,099	17,671	20,951	3,280	18.56%	1,852	9.70%
Plant Maintenance	0	0	0	0	0		0	
Interest Expense	0	0	0	0	0		0	
Resale Costs	0	0	0	0	0		0	
Miscellaneous	0	0	0	0	0		0	
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	0	0	0	0	0		0	
Depreciation	0	0	0	361	361		361	
Total Operating Expenses	40,166	39,123	40,457	41,767	1,310	3.24%	2,644	6.76%
Excess Revenue over Expenses	-26,487	-26,995	-24,131	-28,731	-4,600	-19.06%	-1,736	-6.43%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	0	0	0	0		0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	0	0	0	0	0		0	
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	0	0	-361	-361		-361	
Total Cash Items	0	0	0	-361	-361		-361	
Net Cash Basis Budget	-26,487	-26,995	-24,131	-28,370	-4,239	-17.57%	-1,375	-5.09%

WYSO PUBLIC RADIO

2003-04 First Quarter Performance

WYSO Public Radio began 2003-04 with the strongest and largest listenership in its 45-year history (57,200 weekly listeners for the Total Listening Area, according to Spring 2003 Arbitron). It continues to improve the professionalism, quality, and overall public service offered on its airwaves. It is also attracting significant attention from the leadership of the public radio system. These leaders have committed themselves to providing support and assistance to WYSO in its development goals. Most notable among these individuals is the Corporation for Public Broadcasting's Vice President for Radio, Vinnie Curren. Mr. Curren has made a personal pledge to WYSO management that he is prepared to come to the Miami Valley this fall and work to help us create the type of sophisticated public radio operation that our audience wants and needs.

The concluding paragraphs of WYSO's 2002-03 Year-End Review describe the evolving dynamic at the CPB and the new priorities Curren has been discussing with stations and system colleagues since January 2003. It is clear to all who have heard him speak, that the CPB is seeking specific ways to encourage two or more public radio stations in the same market to collaborate to create cost and operational efficiencies. The CPB is actively exploring how to remove the element of choice from this arena. Mr. Curren and others believe that this is responsible stewardship of the taxpayer investment in public broadcasting. Perhaps more importantly, partnerships between stations are seen as a significant way to enable public stations to remain competitive in an era of exploding competition and increasing costs of operations in the ongoing transition to full digital operations and transmission.

Other leadership organizations in public radio, including the Station Resource Group (SRG) and the Development Exchange, Inc. (DEI) are providing considerable consultation assistance and support to WYSO, and are prepared to leverage their organizational reputations on the station's behalf as it seeks grant support from the CPB and others to create an infrastructure capable of generating the revenues necessary to operate a self-sufficient public broadcasting business.

During the first quarter, we have spent a good deal of time and energy working on collaboration with Dayton Public Radio (DPR). Since WYSO and DPR have a decade-long track record of cordial and cooperative relations, the fit between the two organizations is built upon very solid ground. In the early 1990s, both stations long ago agreed not to duplicate each other's programming and, thus, have very distinct and separate broadcast identities in the Miami Valley. At about the same time, WYSO and DPR jointly conducted the Twin Signals Project capital campaign, which enabled DPR to erect a second broadcast tower in Greenville, OH and WYSO to increase its broadcast strength from 11,000 to 37,000 watts (thereby transforming it into a regional operation and the area's dominant public radio service). Both stations coordinate their spring and fall on-air fund drives so that they take place simultaneously (as there is incontrovertible evidence in public broadcasting that fundraising results improve for all when stations in the same market all fundraise at the same time). And the managers of both stations appear on one another's airwaves to encourage listeners to contribute.

While much discussion and preliminary planning has taken place during the past year or so, I have devoted much time and energy this past summer working on deepening the partnership opportunities for WYSO and DPR. Included here has been ironing out the legal specifics of a joint underwriting and marketing agreement between WYSO and DPR. At this writing, this initiative is near completion and set for anticipated rollout by November 2003. By combining the audience numbers and profiles of both stations, and packaging our joint presentations as Miami Valley Public Radio, both operations will be better positioned to secure more underwriting revenues than either station is currently capable of generating independently. The details of how this partnership will work have been guided by consultation assistance provided by DEI and have been greatly influenced by the great success being experienced by the Public Radio Partnership in Louisville, KY (a three-station consortium whose joint sales/marketing efforts have generated explosive revenue growth for all stations).

WYSO and DPR are also exploring other efficiencies that will address long-term sustainability issues for both organizations, and offer each the opportunity to plan for real, substantive growth in service. The areas of efficiency under consideration are back office functions, such as engineering, membership, communications, etc.

Success in achieving these efficiencies is tremendously important to Antioch University. Long term sustainability will permit the University to derive all the benefits of owning a public radio license and maintaining a significant broadcast service without having to be concerned about the periodic need to divert institutional capital away from academic programs to cover the station's operational expenses. Just as significant is the fact that when WYSO grows, so too do opportunities for students to work at the station in a real-world context. University-licensed stations, such as Fordham University's WFUV, make regular use of several dozen students, all of whom hold titled positions and work in support of the mission objectives of the station. Students acquire new skills and experiences that are directly translatable to the marketplace. And they boast resume credits that instantly make them more competitive than many other graduates.

WYSO's management also feels strongly that there is many unexplored opportunities to work with Antioch University McGregor and, in this age of the Internet, even with the campuses in New Hampshire, California, and Washington State.

Also of note during the first quarter are the ongoing leadership activities taking place within Ohio Public Radio (OPR). I serve as OPR president and I have made the formal adoption and implementation of the OPR Multi Station Underwriting Plan a primary agenda item for my colleagues. More details on this initiative may be found in WYSO's 2002-03 Year-End Review. The OPR member stations are currently working on the specifics of a rollout for the plan. All are encouraged by the success of similar statewide public radio sales programs in North Carolina and Florida that last year generated total revenues of $1.2 and $1.6 million.

Partnership/development opportunities with DPR are likely to begin bearing fruit during the second quarter. It is unclear at this writing if the OPR sales partnership can necessarily launch during this fiscal year, although that is the goal of all involved. All are confident that the plan is sound and will accrue long-term financial benefits to Ohio's public radio stations. With this in mind, WYSO management is not pleased with the underwriting revenues it is currently generating. Development staff are aware that WYSO's underwriting goals are not being met and that the situation must improve. Station management is taking a far more active role in underwriting acquisition strategies, as well as providing appropriate professional development to improve opportunities for success.

Regarding membership, the two major on-air fundraising campaigns of 2003-04 have not yet been held. The goals for these are, respectively, $250,000 (Fall 2003) and, tentatively, $225,000 (Spring 2004). Pre-Fall drive results from direct mail renewals/additional gifts and on-air messaging are returning the strongest returns the station has ever seen in the run-up to campaign launch. It is also worth noting the profound support and camaraderie being offered by WYSO's public radio colleagues at WBEZ, Chicago, one of the system's flagship stations, known to listeners nationwide as the home station of THIS AMERICAN LIFE with Ira Glass and the NPR comedy-quiz program, WAIT, WAIT...DON'T TELL ME. In addition to the assistance of staff in the WBEZ development offices, station manager Torey Malatia has been especially supportive. In fact, Mr. Malatia will be coming to Yellow Springs, at WBEZ's expense, to pitch on-air with WYSO staff on Saturday, October 25 because of his belief in the work this station is doing and its significant opportunities to achieve even greater levels of community impact and financial success.

The station will likely also hold a brief, 2-3 day end-of-fiscal year campaign in late June 2004 (with a tentative goal of $30K). The station is also working on the launch of its major donor initiative, the WYSO Leadership Circle. Various scenarios are being considered, including the possibility of working with a regional major donor management firm or public radio's Major Giving Alliance. National Public Radio (NPR) and others are assisting WYSO to determine how it can best proceed in developing this new and critical revenue stream. WYSO administrations, going back at least a decade, have all stated a desire and need to commence a major donor program and we cannot delay further. The June 30, 2003 edition of Current, the newspaper of public broadcasting, featured the very telling headline, "Failing to ask for major gifts costs pubcasting millions;" the full text of which is available at www.current.org/funding/funding0312major.html.

As always, the management, staff, and volunteers of WYSO Public Radio are grateful for the oversight and support of the University Administration and, of course, the Antioch University Board of Trustees. The station hopes that those who do not reside in the Miami Valley will take the time to periodically listen to WYSO by accessing the station's real-time, audio stream at www.wyso.org (just click on the Listen Live link).

Steve Spencer
General Manager

WYSO

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	%	Change From 2002 Actual to 2003 Actual $	%
	--------	--------	--------	--------	--------	--------	--------	--------
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition	0	0	0	0	0		0	
Gifts	30,510	20,864	25,000	13,025	-11,975	-47.90%	-7,839	-37.57%
Grants	12,678	10,388	10,000	9,622	-378	-3.78%	-766	-7.37%
Endowment Income	0	0	0	0	0		0	
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	0	0	0	0	0		0	
Unrealized Gains (Losses)	0	0	0	0	0		0	
Other Income	79,941	95,790	77,004	61,947	-15,057	-19.55%	-33,843	-35.33%
Total E&G Revenue	123,129	127,042	112,004	84,594	-27,410	-24.47%	-42,448	-33.41%
Auxiliary Enterprises	125	85	126	0	-126	-100.00%	-85	-100.00%
Released From Restrictions	0	0	0	0	0		0	
Total Revenues	123,254	127,127	112,130	84,594	-27,536	-24.56%	-42,533	-33.46%
Operating Expenses								
Instruction	0	0	0	0	0		0	
Research	0	0	0	0	0		0	
Public Service	231,826	230,731	242,512	219,085	-23,427	-9.66%	-11,646	-5.05%
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	7,747	3,252	2,069	-1,183	-36.38%	-5,678	-73.29%
Scholarships	0	0	0	0	0		0	
Total E&G Expenses	231,826	238,478	245,764	221,154	-24,610	-10.01%	-17,324	-7.26%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	231,826	238,478	245,764	221,154	-24,610	-10.01%	-17,324	-7.26%
Excess Revenue over Expenses	-108,572	-111,351	-133,634	-136,560	-2,926	-2.19%	-25,209	-22.64%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	3,102	0	8,250	0	-8,250	-100.00%	0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	3,791	3,791	3,792	3,795	3	0.08%	4	0.11%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	0	-7,747	-3,252	-2,069	1,183	36.38%	5,678	73.29%
Total Cash Items	6,893	-3,956	8,790	1,726	-7,064	-80.36%	5,682	143.63%
Net Cash Basis Budget	-115,465	-107,395	-142,424	-138,286	4,138	2.91%	-30,891	-28.76%

WYSO

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues	123,254	127,127	112,130	84,594	-27,536	-24.56%	-42,533	-33.46%
Operating Expenses								
Salaries & Wages	72,433	91,070	80,930	82,350	1,420	1.75%	-8,720	-9.58%
Benefits	21,634	27,040	31,772	28,747	-3,025	-9.52%	1,707	6.31%
Training & Development	8,395	5,767	4,630	2,413	-2,217	-47.88%	-3,354	-58.16%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	51	0	-51	-100.00%	0	
Supplies	5,342	701	1,031	815	-216	-20.95%	114	16.26%
Business Operations	96,067	92,104	101,259	89,775	-11,484	-11.34%	-2,329	-2.53%
Plant Maintenance	23,008	12,615	21,066	13,831	-7,235	-34.34%	1,216	9.64%
Interest Expense	2,207	1,384	1,647	1,154	-493	-29.93%	-230	-16.62%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	22	50	126	0	-126	-100.00%	-50	-100.00%
Contingency/Reserves								
Campus Contingency, Mandatory	0	0	0	0	0		0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	0	0	0	0	0		0	
Overhead								
To the University	0	0	0	0	0		0	
Rebates from the University	0	0	0	0	0		0	
Subsidy from Adult Campuses	0	0	0	0	0		0	
Subsidy from Overhead	0	0	0	0	0		0	
Other (Intercampus Agree & Univ Conf)	2,718	0	0	0	0		0	
Depreciation	0	7,747	3,252	2,069	-1,183	-36.38%	-5,678	-73.29%
Total Operating Expenses	231,826	238,478	245,764	221,154	-24,610	-10.01%	-17,324	-7.26%
Excess Revenue over Expenses	-108,572	-111,351	-133,634	-136,560	-2,926	-2.19%	-25,209	-22.64%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	3,102	0	8,250	0	-8,250	-100.00%	0	
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	3,791	3,791	3,792	3,795	3	0.08%	4	0.11%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	0	-7,747	-3,252	-2,069	1,183	36.38%	5,678	73.29%
Total Cash Items	6,893	-3,956	8,790	1,726	-7,064	-80.36%	5,682	143.63%
Net Cash Basis Budget	-115,465	-107,395	-142,424	-138,286	4,138	2.91%	-30,891	-28.76%

University Wide

September 30, 2003 Actual Expenditure Summary by Function

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
Revenues								
Tuition & Fees	0	0	0	0	0		0	
Less Tuition Discounts	0	0	0	0	0		0	
Net Tuition	0	0	0	0	0		0	
Gifts	0	0	7,500	0	-7,500	-100.00%	0	
Grants	20,885	27,106	31,251	19,970	-11,281	-36.10%	-7,136	-26.33%
Endowment Income	-243,880	-123,908	45,000	-166,418	-211,418	-469.82%	-42,510	-34.31%
Contracts	0	0	0	0	0		0	
Realized Gains (Losses)	-77,224	-980,566	0	75,868	75,868		1,056,434	107.74%
Unrealized Gains (Losses)	-903,381	-498,739	0	688,914	688,914		1,187,653	238.13%
Other Income	81,258	70,487	39,303	82,843	43,540	110.78%	12,356	17.53%
Total E&G Revenue	-1,122,342	-1,505,620	123,054	701,177	578,123	469.81%	2,206,797	146.57%
Auxiliary Enterprises	0	0	0	0	0		0	
Released From Restrictions	128,732	77,598	87,960	99,971	12,011	13.66%	22,373	28.83%
Total Revenues	-993,610	-1,428,022	211,014	801,148	590,134	279.67%	2,229,170	156.10%
Net Overhead for Central Operations	76,122	20,770	202,909	201,639	1,270	0.63%	180,869	870.82%
Operating Expenses								
Instruction	0	0	0	-25,000	-25,000		-25,000	
Research	0	0	0	0	0		0	
Public Service	0	0	0	0	0		0	
Academic Support	80,391	15,370	16,852	17,803	951	5.64%	2,433	15.83%
Student Services	0	0	0	0	0		0	
Institutional Support	318,952	233,169	449,046	512,464	63,418	14.12%	279,295	119.78%
Plant Maintenance	735,451	57,763	51,312	52,496	1,184	2.31%	-5,267	-9.12%
Scholarships	37,930	38,457	31,251	39,423	8,172	26.15%	966	2.51%
Total E&G Expenses	1,172,724	344,759	548,461	597,186	48,725	8.88%	252,427	73.22%
Auxiliary Enterprises	0	0	0	0	0		0	
Total Operating Expenses	1,172,724	344,759	548,461	597,186	48,725	8.88%	252,427	73.22%
Excess Revenue over Expenses	-2,090,212	-1,752,011	-134,538	405,601	540,139	401.48%	2,157,612	123.15%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	11,779	0	13,228	13,228		1,449	12.30%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	31,031	31,031	31,031	31,027	-4	-0.01%	-4	-0.01%
Prior Year Reserves	0	0	0	0	0		0	
Add back Depreciation	-735,451	-57,763	-51,312	-52,496	-1,184	-2.31%	5,267	9.12%
Total Cash Items	-704,420	-14,953	-20,281	-8,241	12,040	59.37%	6,712	44.89%
Net Cash Basis Budget	-1,385,792	-1,737,058	-114,257	413,842	528,099	462.20%	2,150,900	123.82%

University Wide

September 30, 2003 Actual Expenditure Summary by Category

	Sept 30, 2001 Actual	Sept 30, 2002 Actual	Sept 30, 2003 Budget	Sept 30, 2003 Actual	Change From 2003-04 Budget to 2003-04 Actual $	Change From 2003-04 Budget to 2003-04 Actual %	Change From 2002 Actual to 2003 Actual $	Change From 2002 Actual to 2003 Actual %
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Revenues	-917,488	-1,407,252	413,923	1,002,787	588,864	142.26%	2,410,039	171.26%
Operating Expenses								
Salaries & Wages	98,042	67,560	215,660	222,146	6,486	3.01%	154,586	228.81%
Benefits	26,563	19,259	54,767	54,616	-151	-0.28%	35,357	183.59%
Training & Development	18,529	8,791	51,257	31,176	-20,081	-39.18%	22,385	254.64%
Student Aid Services	0	0	0	0	0		0	
Special Events	0	0	0	0	0		0	
Supplies	1,336	5,253	1,506	1,185	-321	-21.31%	-4,068	-77.44%
Business Operations	142,495	98,810	131,085	158,064	26,979	20.58%	59,254	59.97%
Plant Maintenance	12,141	20	65	-2,814	-2,879	-4429.23%	-2,834	-14170.00%
Interest Expense	51,600	30,631	15,252	27,187	11,935	78.25%	-3,444	-11.24%
Resale Costs	0	0	0	0	0		0	
Miscellaneous	8,135	2,050	1,263	21,976	20,713	1639.98%	19,926	972.00%
Contingency/Reserves								
Campus Contingency, Mandatory	22,718	0	3,311	0	-3,311	-100.00%	0	
Campus Program Contingency, Discretionary	0	0	0	0	0		0	
Liquidity Reserve	14,199	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)	41,515	54,622	22,983	31,154	8,171	35.55%	-23,468	-42.96%
Depreciation	735,451	57,763	51,312	52,496	1,184	2.31%	-5,267	-9.12%
Total Operating Expenses	1,172,724	344,759	548,461	597,186	48,725	8.88%	252,427	73.22%
Excess Revenue over Expenses	-2,090,212	-1,752,011	-134,538	405,601	540,139	401.48%	2,157,612	123.15%
Annual Budget Conversion to Cash Basis								
Capital Expenditures	0	11,779	0	13,228	13,228		1,449	12.30%
Borrowing Proceeds	0	0	0	0	0		0	
Principal Payments	31,031	31,031	31,031	31,027	-4	-0.01%	-4	-0.01%
Prior Year Reserves	0	0	0	0	0		0	
Add Back Depreciation	-735,451	-57,763	-51,312	-52,496	-1,184	-2.31%	5,267	9.12%
Total Cash Items	-704,420	-14,953	-20,281	-8,241	12,040	59.37%	6,712	44.89%
Net Cash Basis Budget	-1,385,792	-1,737,058	-114,257	413,842	528,099	462.20%	2,150,900	123.82%

A/R AGING REPORT SEPTEMBER 30, 2003					
UNIT/ STUDY PERIOD	**AMOUNT BILLED**	**AMOUNT COLLECTED**	**AMOUNT OUTSTANDING**	**PERCENTAGE COLLECTED 9/30/03**	**PERCENTAGE COLLECTED 9/30/02**
COLLEGE (inc AEA)					
2002/03 Year			$128,995		
03 Summer	$4,129,976	$3,929,109	$200,867	95.14%	98.20%
03 Fall	$7,267,770	$5,338,757	$1,929,013	73.46%	75.38%
04 Spring					
Total College	**$11,397,746**	**$9,267,866**	**$2,258,875**	**81.31%**	**83.38%**
SANTA BARBARA					
2002/03 Year			$37,427		
03 Summer	$793,020	$737,929	$55,091	93.05%	95.95%
03 Fall	$1,076,630	$304,816	$771,814	28.31%	60.22%
04 Winter					
04 Spring					
Total S.B.	**$1,869,650**	**$1,042,745**	**$864,332**	**55.77%**	**70.96%**
LOS ANGELES					
2002/03 Year			$16,625		
03 Summer	$1,846,125	$1,708,678	$137,447	92.55%	95.01%
03 Fall	$3,604,969	$1,926,974	$1,677,995	53.45%	63.61%
04 Winter					
04 Spring					
Total L.A.	**$5,451,094**	**$3,635,652**	**$1,832,067**	**66.70%**	**73.67%**
SEATTLE					
2002/03 Year			80		
03 Summer	1,689,622	1,684,339	5,283	99.69%	98.64%
03 Fall	2,533,737	457,174	2,076,563	18.04%	57.65%
04 Winter					
04 Spring					
Total Seattle	**$4,223,359**	**$2,141,513**	**$2,081,926**	**50.71%**	**76.24%**
NEW ENGLAND					
2002/03 Year			$7,662		
03 Summer	$1,895,635	$1,887,432	$8,203	99.57%	99.66%
03 Fall	$4,154,910	$3,996,798	$158,112	96.19%	92.98%
04 Spring					
Total NE	**$6,050,545**	**$5,884,230**	**$173,977**	**97.25%**	**94.98%**
MCGREGOR					
2002/03 Year			$154,993		
03 Summer	$757,572	$642,590	$114,982	84.82%	84.59%
03 Fall					
04 Winter					
04 Spring					
Total McG	**$757,572**	**$642,590**	**$269,975**	**84.82%**	**84.59%**
PhD PROGRAM					
2002/03 Year			$7,750		
2003/04 Year	$1,038,250	$473,059	$565,191	**45.56%**	**42.20%**
Total PhD Program	**$1,038,250**	**$473,059**	**$572,941**	**45.56%**	**42.20%**
TOTAL UNIV	**$30,788,216**	**$23,087,655**	**$8,054,093**	**74.99%**	**81.12%**

ANTIOCH UNIVERSITY

Status of Accounts Payable

As of September 30, 2003

Aged from Invoice Date

		Percent of Total	
		Sep 30, 2003	**Sep 30, 2002**
Current (0 to 30)	$305,720.54	96.77%	75.01%
31-60 Days	44,948.60	14.23%	17.43%
61 to 90 Days	-3,637.03	-1.15%	1.08%
Over 90 Days	-31,097.82	-9.84%	6.48%
	$315,934.29	100.00%	100.00%

COST CENTERS

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

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

RESEARCH:
Individual and Project Research

PUBLIC SERVICE:
Glen Helen
Antioch Review
WYSO
Counseling Centers

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

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

STUDENT SERVICES Cont'd:
Security
Student Loan Office
Community Government

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

PLANT MAINTENANCE:
Maintenance
Custodial
Building & Grounds
Power Plant
Depreciation

SCHOLARSHIPS:
Grants & Scholarship

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

LINE ITEMS

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

BENEFITS: Required and Non-Required
Benefits Paid
Medical
Dental Plan
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
WYSO Programming
WYSO Premiums
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
Miscellaneous Grants to Others

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

OVERHEAD COSTS:
Regional Overhead
University Overhead
University Conference
Standard Cost Overhead
Operation Subsidy
Inter-Campus Agreements
Grant Indirect Costs