012-E

Antioch University
Finance Committee Minutes
Conference Call
May 23, 2001
3:00 PM EST

Present: Jim McDonald, chair; Niels Lyster; Bruce Bedford; Monique Clague; Judy Palmer; Art Zucker; Pegene McPhaden; Glenn Watts; Rosalie Sturtevant; Jim Hall; Paul Ewald; Lois Mann

This special meeting of the finance committee was called to clear the agenda for the June Board meeting of small items and to provide some background to Finance Committee members concerning the 2001-02 Budget that will be presented.

Glenn Watts reported on an item over $10,000 that he approved for Antioch McGregor. Antioch has entered into a one-year lease for $20,000 for the Classroom of the Future project that will be housed in the Entrepreneur Center in downtown Dayton. This lease covers the 1300 sq ft space, heat, light and support of equipment needed to operate this demonstration project classroom, funded by local businesses, and to be used as a place to train teachers in technology. The lease expense is in the McGregor 2001/02 budget.

An update was provided on a legal matter concerning the WYSO tower lease. Although WYSO completed a mediation process with landlord P&R Communication and we thought the tower lease matter was settled, P&R is now reneging on the agreed upon terms and this might require future litigation.

A Glen Helen construction project to remodel the Cedar Center, as phase one of restoration of the Outdoor Education Center, is ready to get underway. This project is also before the Physical Facilities Committee at the June meeting. The estimated cost of the project is $150,000 and will be paid for by a restricted fund called the Glen Helen Headley fund that presently has a balance of $204,000. A motion was presented to approve the financing of the construction out of the Headley Fund subject to the approval of the Facilities Committee. Moved by Bruce Bedford, seconded by Judy Palmer. All passed.

The Seattle campus is interested in renovating 4200 sq ft of space that has been left vacant by a recent tenant. This project requires around $350,000 and the campus wants permission to investigate financing options for this amount. Glenn Watts does not recommend going ahead at this time because the 2001-02 budget situation is so uncertain. The committee agreed with this recommendation.

A review of the projected 2000-01 year-end was presented by Glenn Watts. With the stock market results through May 21, the year-end deficit appears to have fallen to around $888,000. The College annual fund is one variable that could still fall short of its goal. Lois Mann reported that there is $159,000 in solid pledges yet to come in, but that the annual fund will need to receive another $300,000 in gifts in June to make the budget. She pointed out that in June 2000, $300,000 was received into the annual fund, but the historical average amount for June is $171,000.

A discussion of the 2001-02 budget process ensued, with an explanation that the sources of the $1.6 million of lead gifts in the College budget is unknown at this time. That makes this forthcoming budget proposal unbalanced.

Board members requested that the College provide an updated year-end projection based on the April actuals and that the board be given the details of the Capital Campaign and special Recruitment budgets within the 2001-02 budget.

The meeting adjourned at 4:45pm EST.

O12-F

Antioch University
Finance Committee Minutes
May 31 and June 1, 2001

Present: Jim McDonald, chair; Bruce Bedford; Bob Krinsky; Monique Clague; Pegene McPhaden; Leressa Crockett; Art Zucker; Niels Lyster; Judy Palmer; Glenn Watts; Rosalie Sturtevant; Toni Murdock; Barbara Danley; Jim Craiglow; Mark Schulman; Bob Devine; Jim Hall; and David Weaver. Several other members of the Board were also present.

The Finance Committee meeting held in Keene, New Hampshire spanned May 31 and June 1, 2001. The meeting began with the approval of Beverly L. Viemeister as the Chair of the Glen Helen Board of Overseers and Randall G. Daniel as the Chair of the WYSO Resource Board by unanimous vote. Both terms begin July 1, 2001.

The main item of discussion was the 2001-02 Antioch University budget. An introduction concerning the 2000-01 year-end by Glenn Watts indicated that Antioch's bottom line has been drifting down in recent years. He mentioned that the University could realize a deficit of $870,000 or more at June 31, 2001, including stock market fluctuations.

In the 2001-02 budget, as in past years, depreciation is not covered and will represent a $2.9 million expense. The College budget contains a Lead Gift line of $1.7 million with no definitive revenue source behind it and represents a significant gamble to the institution. This budget is extremely tight and, even though the contingencies and liquidity reserves are pledged to cover depreciation, the budget still represents a deficit. Everything must go right to avoid another deficit, and this budget contains too much risk. In the past, liquidity and contingency reserves have been sufficient to cover the deficit, but that is not the case in 2001-02. Problems that arise with a deficit are unfavorable audit comments, not meeting bond covenants, risks to continuation of Federal financial aid, and the upcoming NCA reaccreditation process. In summary, the Vice Chancellor said that he could not recommend approval of the budget as presented.

Speaking on behalf of the Presidents, Jim Craiglow emphasized that the campuses need short term stabilization, both financial and strategic. The adult campuses have over $2 million in unfunded reserves due them from the 1980's. The Presidents do not want this fact lost in stabilization discussions.

A discussion ensued concerning the budgeted $600,000 of Endowment gains to be used for adult campus capital and program development projects. It was agreed that Antioch needs to shoot for a break even finish in the 2001-02 year.

Chair Jim McDonald next suggested that in order to approve the budget, an 'embargo list' of items that would not be spent until lead gifts were received, needed to be developed and attached to the budget (see attachment for embargo list and spending procedure).

The meeting was recessed until the next day, 6-1-01.

The meeting reconvened on 6-1-01 at 10AM. Present: Jim McDonald, chair; Jeff Kasch; Art Zucker; Pegene McPhaden; Niels Lyster; Bill Hooper; Judy Palmer; Sandra Deming; Bruce Bedford; Lillian Lovelace; Glenn Watts; Jim Craiglow; Bob Devine; Toni Murdock; Barbara Danley; Mark Schulman; Jim Hall; Lois Mann

After discussion, it was agreed that the Lead Gift line must receive $350,000 before any of the specific embargoed items can be released.

President Mudock presented a proposal to build-out part of the space in the Seattle building that was formerly leased to the Swallow's Nest.

The meeting was recessed until later in the day.

The meeting was reconvened at 4PM. Present: Jim McDonald, chair; Niels Lyster; Sandra Deming; Art Zucker; Pegene McPhaden; Jeff Kasch; Bruce Bedford; Bill Hooper; Glenn Watts; Rosalie Sturtevant; Bob Devine.

There was a motion to approve the tuition rates, as they appear in the 2001-02 budget, by Art Zucker, seconded by Niels Lyster. All approved.

There was a motion to approve the 2001-02 budget, with the Lead Gift line increased to $2.0 million and the embargo qualifications, by Art Zucker, seconded by Judy Palmer. All approved.

Bob Devine registered objections to the $2.0 million lead gift line contained in the College budget and to the encumbrance procedure. Jim McDonald replied that the encumbrance procedure was a short term fix to keep us from a deficit in 2001-02 and was not intended as a permanent shift in how we do business. Glenn Watts commented that these are needed controls that several of the CFOs are welcoming and that the University Controller will work with the CFOs to set up an encumbrance system. Jeff Kasch added that we need discipline in place to limit the downside risk in this budget.

A resolution was moved by Bruce Bedford, seconded by Pegene McPhaden to allow the one time use of $600,000 of unrestricted endowment gains by the campuses for capital and program development items as described in the budget. All approved.

The meeting adjourned at 5:20 p.m.

Attachment

[Note: the Board at its February 2001 meeting approved a schedule of tuition and fees for Antioch College.]

Jim McDonald referenced the budget book for background on the following resolution:

RESOLUTION 6.02.01:7 (McDonald/Bedford)

WHEREAS, the Board of Trustees has approved the quiet phase of a capital campaign; and

WHEREAS, more than $700,000 of expenditures preparatory to the capital campaign have been reflected in the College budget for FY 2001-2002; and

WHEREAS, there is uncertainty as to the amount of unrestricted lead gifts which will be recognized during FY 2001-2002;

RESOLVED, that upon the recommendation of the Chancellor, the University Leadership Council, and the Finance Committee, the Board of Trustees adopts the unrestricted general operating budget and the capital budget for FY 2001-2002 as presented to the Board of Trustees at this meeting and as modified to increase the lead gift line of the college's unrestricted general operating budget from $1,659,688 to $2,000,000;

FURTHER RESOLVED, that the following items in the College Budget shall be considered "embargoed expenditures":

Development Office vacant position	$ 67,548
Build-up in the Admissions Office	455,075
Drey Revolving Fund	200,000
Salary Increases above 2%	299,377
Campus Contingency, Discretionary	150,000

and the following items as discussed at this meeting shall also be considered embargoed expenditures:

University Conference Fund	
New England	$ 8,480
Seattle	8,400
Southern California	9,240
McGregor	5,240
College	8,640
Adult campuses, $17,000 each	68,000
University Administration	20,000

FURTHER RESOLVED, that the Board of Trustees hereby delegates to the Vice Chancellor and CFO and to the Chair of the Finance Committee authority to approve the expenditures that have been designated as "embargoed expenditures" in the unrestricted general operating budget and the capital budget for FY 2001-2002, such approval being expressly contingent upon the availability of funds from gifts or other sources that can be credited to the lead gift line that are not otherwise reflected in the revenues of said budgets. The authority to approve embargoed expenditures shall not be exercised until such time as $350,000 has been credited to the lead gifts line of the College's unrestricted general operating budget for 2001-2002. The final $350,000 shall be credited only after all embargoed expenditures have been released.

FURTHER RESOLVED, that the Board of Trustees hereby delegates to the Vice Chancellor and CFO the final authority to approve capital expenditures between $10,000 and $25,000 as set forth in the FY 2001-2002 capital budget.

FURTHER RESOLVED, that the Board hereby ratifies and confirms the action taken by the Vice Chancellor and CFO to require all campus CFO's to certify in writing the accuracy and completeness of their respective budgets for FY 2001-2002.

FURTHER RESOLVED, that it is the policy of the Board of Trustees that all budgets hereafter submitted to the Board for approval shall be accompanied by the written certification of each campus President and CFO certifying to the accuracy and completeness of that campus' proposed budget, in a form satisfactory to the Vice Chancellor and CFO.

RESOLVED FINALLY, that each campus and other operating units of the University shall hereafter fully comply with the expenditure and revenue control measures, including encumbrance of approved expenditures, specified by the Vice Chancellor and CFO.

Passed unanimously.

RESOLUTION 6.2.01:16 (McDonald/Kasch)

RESOLVED, that $600,000 of the gain (realized or unrealized) or earnings on the University's unrestricted endowment fund shall be made available to the campuses during FY 2001-2002 as budgeted, to provide funds for infrastructure and or program development. At such time in the future that certain unrestricted bequests and pledges from the College's last capital campaign are received (which have been previously identified to fund campus reserves per Resolution 2.6.99:13), those funds will be placed in a quasi-endowment fund which shall be used to provide the College with annual operating funds in lieu of receiving distribution from the endowment fund under the Board's current policy (Resolution 6.5.99:10) which shall be temporarily suspended to permit future gains and earnings on the endowment fund to accumulate.

Passed unanimously.

Antioch University
Finance/Stabilization Committee Minutes
Conference Call
June 29,2001

Present: Jim McDonald, chair; Art Zucker, Pegene McPhaden, Judy Palmer, Dan Kaplan, Bruce Bedford, Bill Hooper, Jack Mersalis, Jim Hall, Glenn Watts, Rosalie Sturtevant

The meeting was called to order at 2:00 PM EST.

A brief discussion of the Seattle remodeling projected ensued with Glenn Watts describing the project itself as a conversion of part of the space vacated by the Swallow's Nest for use by the campus for library space, computer lab space, classrooms and offices. Bill Hooper assured the committee that he had reviewed the plans for the project and had talked to the architect and was satisfied with the plan. He recommended that the project be approved. The sources of funds were discussed which included a $275,000 loan from the University's Reserve Account to be paid back by Seattle over 5 years at 7% interest. A motion to approve the project by Bruce Bedford, seconded by Pegene McPhaden was approved by all committee members.

Next an informational item concerning the Capital Campaign's Ketchum contract was presented by Jim Hall. Because at the June 2001 Board Meeting, the finance committee made approval of this contract contingent upon the availability of funds, the committee was apprised of current situation. Given the draft contract language allowing for a thirty day termination of the Ketchum contract without further cost, the committee determined that the funds already in hand or pledged met the contingency.

The committee next began work on the Financial Stabilization process. The committee's charge from the Board is to develop a plan that provides financial stabilization across the University, which includes:

- no financial losses in the next 18 to 24 month period
- all units staying within budget
- a reduction of risk and a higher probability of achieving a balanced budget
- a restructuring of the budget practices and the presentation of financial information

A report is to be presented to the Board at the Oct, 2001 meeting.

The timeline laid out is tentatively:

- July 9	Teleconference, 10 AM EST
- July 23	One day meeting in Columbus, location TBA
- August	Additional phone and possible face-to-face meetings
- Sept 15	Deliberations over and plan agreed upon
- Sept 28	Report to the Board written
- October 8	Report mailed to the full Board
- Oct 18	Board Meeting presentation

The Committee brainstormed on a few areas of interest to be examined at the July 23rd meeting in Columbus. Glenn and Rosalie are to prepare materials for discussion of these items, which are:

- the existing Budget Guidelines
- possible properties and land holdings that could be sold
- outsourcing
- sharing of facilities across campuses
- technology redundancies
- creative ways to realize bequests
- sources of additional funding to invest in PR and marketing
- organization charts, personnel ratios and vacant positions
- faculty course load practices at each campus

The Committee also decided that Jim Hall would notify each campus president that a short term hiring approval process would go into place immediately to give the Stabilization project members time to get their bearings on the financial situation.

The meeting adjourned at 4:00 PM EST.

Antioch University
Finance Committee Minutes
Stabilization Project
Concourse Hotel, Columbus, Ohio
July 23, 2001

Present: Jim McDonald, chair; Art Zucker, Pegene McPhaden, Judy Palmer, Dan Kaplan, Bruce Bedford, Jeff Kasch, Bob Krinsky, Jim Hall, Glenn Watts, Rosalie Sturtevant, and guest consultant, Tom Clough.

The meeting was called to order at 10:00 AM EDT.

The purpose of this meeting was to discuss possible measures to take to ensure the financial stability of the University for 2001-02. Antioch cannot have a deficit finish to the year because of the upcoming accreditation review and because of the many bond covenants we must meet.

Jim McDonald led the committee through some background material and a summary of previous meetings this group has had. We then focused on some financial schedules requested by the group. Budgeted financials by campus were restated to eliminate overhead charges, rebates, and contingencies; depreciation amounts were added. This restructuring was done to give the Committee a clearer picture of the financial situation at each unit. Personnel ratios were also examined by campus.

Next the committee focused on what items were the biggest risks to the University completing the 2001-02 year with a surplus, as well as possible offsets. The items identified were:

- Lead Gifts not materializing	$1.66 million
- Unbudgeted expenses	$ .25
- Enrollment shortfalls	$ .50
- Over-awarding of discounts	$ .20
- Shortfall in the annual fund	$ .14
- "Murphy's Law" events	$ .50
- Endowment Income (new endowment)	($ .20)
- Hold the line on embargoed items	($ .85)
- Budgeted Excess	($ .75)
Total	$1.45 million

The Committee concluded that the University was at risk for around $1.45 million because so many items were shaky or uncertain. Tom Clough suggested that we prepare some materials that looked at the trend line of net income from students for the last several years.

The Committee then brainstormed about steps that might help to reduce some of the costs, and therefore risks, during the short term. The Committee member who will assume responsibility for each item is listed in parentheses.) These include:

- An audit of the Admissions Office (Dan w/Bob Devine)
- Increased PR and marketing (Art)
- Yellow Springs functional redundancies (Bruce and Jeff)
- A mandated headcount reduction of 10 people (Bruce and Jeff)
- The establishment of a stabilization fund, status of AIF funds, other? (Dan)
- National Procurement Contracts (travel, IT, supplies, long distance) (Peggy w/Barbara Danley)
- Outsourcing (Peggy w/Barbara Danley)
- Benchmarking (Glenn)
- Marginal Cost of Students, yield management (Bruce w/Toni Murdock)
- Excess Yellow Springs physical plant & real estate sales (Judy w/Glenn)

Faculty workload was also discussed and it was agreed that Bruce should as Bob Devine to suspend the change in loads that will become effective this fall. It is not clear what the change might cost in the future, or what other impacts it might have. Until the Committee completes its report, no workload changes should be implemented.

The Committee requested some comparable personnel counts for the past few years, if available.

Tom Clough asked us to consider if there is some acceptable level of deficit we might be willing to accept for the next few years. He also encouraged us to understand the marginal cost of students at the College. His advice was that a document explaining the true financial situation at the University and at the campuses be developed and widely disbursed to faculty and staff at all campuses to dispel fears and rumors.

It was decided that as many Committee members as possible would meet with Bob Devine and Barbara Danley in Yellow Springs on August 3 to gather input on the above list. The full committee will also meet again on Thursday, September 13 in New York at 9:00 AM EDT.

The meeting adjourned at 5:00 PM EDT.

Antioch University
Finance Committee Minutes
Glen Helen Building
Yellow Springs, OH
October 19, 2001

Present: Jim McDonald, chair; Niels Lyster, Leressa Crockett, Reuben Harris, Dianne Fraser, Jack Merselis, Jessica Lipnack, Betty Fuchs, Peggy McPhaden, Dan Kaplan, Jeff Kasch, Art Zucker, Bruce Bedford, Bob Krinsky, Bill Hooper, Sandra Deming, Barbara Winslow, Amy Chappell, Monique Weston, David Weaver, Glenn Watts, Rosalie Sturtevant, Jim Hall, Lois Mann, Mark Schulman, Barbara Danley, Toni Murdock, and Jim Craiglow.

The finance committee meeting began with a closed session at which the Committee recommended approval of a tenure agreement with Jean Gregorek at Antioch College.

A review of the 2000-01 year-end financial results by Glenn Watts focused on the $1.5 million deficit experienced by the University. This result has put Antioch into technical default on 3 of its 4 bond issues. We are in the process of obtaining waivers from the bondholders and, as a result, the Board has been presented with only draft copies of the audited financial statements. Until the banks provide the waivers, our auditors cannot certify that Antioch is a going concern and that is why the final audit has not been issued.

In executive session, the Committee was then briefed by Todd Powell, audit manager from Ernst & Young, on the financial statements and the financial condition of the University. Dan Kaplan moved to accept the audit report, seconded by Jeff Kasch, all approved.

In closed session, the Finance Committee was presented with a draft report of the work by the Stabilization Committee. Chair Jim McDonald reviewed the 10 points listed in the report and received approval to continue working to advance the recommendations as a reasonable approach to stabilizing the finances of the University. The Committee received comments from each campus president on how the recommendations might affect his or her campus.

Jim McDonald will present the stabilization plan to the Full Board for input, questions and amendments.

The Committee adjourned and the Full Board convened to consider other matters.

Minutes of the Executive Committee of the Antioch Board

November 9, 2001, in NYC

<u>Present</u>: Bruce Bedford, Jim Hall, Dan Kaplan, Bob Krinsky, Jim McDonald, Barbara Winslow (minutes); by telephone, Lillian Lovelace

1. Financial Stabilization: Jim McDonald gave a lengthy report. The final report and financial plan is due November 30. There is understandable disquiet among the various constituencies; Jim Hall is working with a group of faculty to help devise the plan – to give the faculty a sense that they are part of the solution to the fiscal situation. Jim McDonald expressed concern about support from the board. He was assured he had board support to go forward,

2. Capital Campaign: Dan Kaplan reported on the CC meeting which was held earlier during the day. Present at the meeting was Lois Mann, Bob Krinsky, Bob Devine, Barbara Winslow, Dan Kaplan, David Goodwin (Glen Helen Association) and Gail Gregory (Ketchum). Minutes from that meeting will be distributed at the BOT meeting. There was a lengthy discussion about roles and responsibilities for the leadership of the campaign.

3. The Future of Antioch Committee, to be led by Bruce and Jack will get started, up and running before the February BOT meeting.

4. Interim College President: The Management Transition Committee (Ruben Harris, Sandra Deming and Jessica Lipnack were unable to attend) met with Joan Straumanis. Bob Krinsky is to negotiate an offer with her. Because of a death in her family we were not able to meet with Tobie van der Vorm from the Academic Search and Consulting Service to discuss the Chancellor's search, New England or Los Angeles.

5. Trusteeship Committee: The Trusteeship committee will organize the election of the at-large member to the Executive Committee. Jack Merselis will work with Jessica in shepherding the process of the next board chair.

6. There was a general discussion about the role and effective functioning of the Executive Committee as to date. We are aware that members of the board feel distant, even alienated from the EC. We are trying to remedy this by getting minutes out faster, and making sure EC members call their assigned board members. The next Executive Committee meeting will be December 5th. We will also have a closed session at the next BOT meeting discussing the EC committee.

7. The board discussed and clarified the roles of senior staff to the BOT. Glenn Watts is to advise and work with Finance, Physical Facilities and Investment; Lois Mann with Trusteeship and Development; Jim Hall (who is also a board

Minutes of the Executive Committee

December 5, 2001, in NYC

Present: Bruce Bedford, Jim Hall, Dan Kaplan, Bob Krinsky, Jim McDonald, Jack Merselis, Barbara Winslow (minutes); by telephone, Lillian Lovelace

Before the Executive Committee meeting started, three students from Antioch College arrived and asked if they could get a hearing regarding the financial plan passed by AdCil. We agreed to ten minutes; ten minutes became a half an hour. There was a productive discussion concerning the possible impact of the financial plan on the college's successful NSSE report, as well as how the plan will affect college employees as well as the endowment.

1. College Financial Plan. There was a lengthy discussion about the financial plan passed by AdCil. The vote was 4 (tenured faculty) – 4 (untenured faculty and students). Jim Hall cast the deciding vote in favor of the report. If the college were to implement the approved plan, the college would be in the hole by $2.3million. One way to break even might be through a lead gift (or many lead gifts) to the college. We discussed the possibility of asking a recent large donor to agree to make use of part of his gift as a revolving fund to ease the debt. We agreed to put together a team, Lois, Bob Devine and Bob Krinsky to approach the donor with the idea. We agreed that we should approve the committee report, then approach the donor after the February BOT meeting.

In terms of the Yellow Springs consolidation, Jim McDonald reported that after his meeting with Jim Lawrence, our labor legal advisor, we will not have any significant labor problem with the consolidation effort. We are moving toward a shared service model. The attached resolution was unanimously approved.

Barbara Danley would like the authority to proceed with the technology aspects of consolidations. This will not involve labor issues but other campuses' standards and procedures. Barbara was given the okay to proceed.

Jim McDonald moved that we acknowledge with great appreciation and thanks to AdCil and Jim Hall's leadership for the AdCil financial report. We now call upon the college to implement their report immediately. Passed unanimously.

Bruce Bedford reported on the status of the financial plans of the graduate campuses.

Jim Hall, Jim McDonald and Bruce met with Hassan about tenure relinquishments. There may be two or four tenure relinquishments. We will achieve some modest gains through the tenure relinquishments.

2. The Campaign for Antioch. Dan Kaplan reported that there was a Steering Committee meeting November 9, a report sent out, the next meeting will be on January 3, 2002.

Bruce Bedford will call and then write Mark Schulman. Per his wishes, as of January 1, 2002, we will not be renewing his contract.

At the end of the Management Committee Meeting, we reconvened as the Executive Committee meeting. Reuben Harris stayed on the line.

We continued the discussion about the financial plan. Jim Hall cautioned the board about a number of issues raised by the Financial Report: faculty/student ratio, who should be teaching co-op?; he cautioned about careful use of language regarding long-standing college programs and governance procedures. We all agreed that Jim's concerns should be part of the Future of Antioch Committee discussions. Our commitment to fiscally responsible education must be driven by a clear academic vision.

The Executive Committee reviewed and unanimously approved the contracts identified in the attached resolution.

The next meeting of the Executive Committee will be Friday, February 1, at 10AM at the Segal Company, 1 Park Avenue, NYC.

Submitted by
Barbara Winslow

RESOLUTION

12.05.01:1

WHEREAS, as a part of its charge to develop a Financial Stabilization Plan for the University, the Finance Committee has reviewed with the Vice Chancellor and CFO and with legal counsel how to best provide efficient and effective administrative support services (e.g., Human Resources, Business Affairs, Financial Aid, Technology and Data Processing, Physical Plant and Security) for its Yellow Springs, Ohio operations; and

WHEREAS, the Finance Committee has recommended that said administrative support services can be most effectively and efficiently provided by consolidating and reorganizing all of those functions; and

WHEREAS, the Executive Committee believes that consolidation and reorganization of all Yellow Springs' administrative support services is a critical component of the University's Financial Stabilization Plan; and

WHEREAS, the Executive Committee has determined that time is of the essence in beginning this process.

IT IS, THEREFORE, RESOLVED, that the Executive Committee hereby approves a consolidation and reorganization of administrative support services in Yellow Springs, Ohio, as recommended by the Board's Finance Committee.

RESOLVED FURTHER, the Executive Committee hereby authorizes and directs the Vice Chancellor and CFO, in consultation with the Chair of the Finance Committee, the University CEO, the College President, the President of Antioch University McGregor, and the University's legal counsel, to develop and implement a specific plan to consolidate the University, College and McGregor administrative support services, as soon as reasonably practicable.

RESOLUTION

12.05.01:2

The Executive Committee hereby ratifies and confirms the renovation of classroom and office space in Santa Barbara, completion of the Cedar Center renovation at Glen Helen, and renewal of the Antioch New England telephone system lease, as more fully described in a memo to the Executive Committee from the University's Vice Chancellor and CFO dated September 10, 2001. (Note: The Executive Committee approved these actions at its October 1, 2001, meeting. The foregoing resolution was inadvertently omitted from the minutes of that meeting.)

COPY

2001-02 Budgets Adjusted for Stabilization Plan
Antioch College

Where am

	2001-02 Orig Budget	Current Projected 2001-02 Budget*	Projected 2001-02 with FS Impact
Revenues			
Tuition & Fees 31 & 32,33,34	13,330,425	13,588,889	13,130,425
Less Tuition Discounts 3160-3190	-3,149,377	-3,481,243	-3,549,377
Gifts 4100	1,854,689	1,304,089	1,554,689
Capital Campaign Special Gifts (1)	$\boxed{0}$	357,000	645,000 a
Lead Gifts 4110	$\boxed{1,659,688}$	0	0 b
Grants 42	1,338,293	1,730,996	1,338,000
Endowment Income 4300	381,000	190,912	181,000
Contracts 44	0	25,908	0
Other Income 46	133,139	160,737	133,139
Total E&G Revenue	15,547,857	13,877,288	13,432,876
Auxiliary Enterprises 45	2,455,635	2,524,021	2,455,635
Released From Restrictions 4700	714,997	1,205,018	714,997
Total Revenues	18,718,489	17,606,327	16,603,508
Net Overhead for Central Operations	0	0	0
Operating Expenses			
Salaries & Wages & Benefits	11,732,480	11,347,861	10,866,480
Non-salary expense	6,609,234	6,787,929	6,130,234
Capital Campaign Expense	0	357,000	645,000
Admissions Conversion Expense	0	0	50,000
Other Unallocated	0	0	350,000
Contingency/Reserves			
Campus Contingency, Mandatory 6500	135,567	135,567	0
Campus Contingency, Discretionary 6505	207,389	0	0
Liquidity Reserve 6515	84,730	84,730	0
Consolidation effects	0	0	-75,000 c
Overhead			
To the University 6610	1,130,770	1,130,772	0
Rebates from the University 6615	-550,000	-549,996	0
Subsidy from Adult Campuses	-200,000	-200,000	0
Subsidy from Overhead	-748,500	-748,500	0
Other (Intercampus Agree & Univ Conf)	-338,252	-241,764	0
Depreciation 6760	0	0	1,450,000
Unspecified Reductions			***-287,194*** d
Total Operating Expenses	18,063,418	18,103,599	19,129,520
Excess Revenue over Expenses	655,071	-497,272	-2,526,012
Annual Budget Conversion to Cash Basis			
Capital Expenditures	80,000	863,530	536,000
Borrowing Proceeds	0	-647,011	-396,000
Principal Payments	575,071	602,036	575,071
Prior Year Reserves	0	0	0
Add back Depreciation	0	0	-1,450,000
Total Cash Items	655,071	818,555	-734,929
Net Cash Basis Budget	0	-1,315,827	-1,791,083

Tuition & Fees 9,581,048

Gifts 2,199,68

Add chng's 93K

Antioch College
Budget Proposals 2001-2002

FUNCTION	2001/02 AdCil Budget	+Fav-Unfav Change	% Change	2001/02 REVISED Budget	+Fav-Unfav Change	% Change
Revenues						
Tuition and Fees	13,357,425	1,194,960	9.82%	13,330,425	(27,000)	-0.20%
Less Tuition Discounts	(3,069,377)	(126,775)	4.31%	(3,149,377)	(80,000)	2.61%
Gifts	1,854,689	(773,311)	-29.43%	1,854,689	0	0.00%
Lead Gifts	0	0	0.00%	1,659,688	1,659,688	100.00%
Grants	1,300,000	(39,569)	-2.95%	1,338,293	38,293	2.95%
Endowment Income	181,000	(7,000)	-3.72%	381,000	200,000	110.50%
Contracts	0	0		0	0	0.00%
Other Income	100,000	(62,000)	-38.27%	133,139	33,139	33.14%
Total E&G Revenue	13,723,737	186,305	1.38%	15,547,857	1,824,120	13.29%
Auxiliary Enterprises	2,455,635	(171,121)	-6.51%	2,455,635	0	0.00%
Released From Restrictions	1,600,000	425,620	36.24%	714,997	(885,003)	-55.31%
Total Revenues	17,779,372	440,804	2.54%	18,718,489	939,117	5.28%
Operating Expenses						
Instruction	4,954,755	(118,889)	-2.34%	5,373,971	419,216	8.46%
Research	0	0		0	0	0.00%
Public Service	0	0		0	0	0.00%
Academic Support	1,014,242	(67,073)	-6.20%	1,013,357	(885)	-0.09%
Student Services, Admissions, FinAid	2,347,345	(135,519)	-5.46%	2,848,595	501,250	21.35%
Institutional Support	2,479,413	25,671	1.05%	2,782,292	302,879	12.22%
Plant Maintenance	1,515,799	107,937	7.67%	1,822,127	306,328	20.21%
Scholarships	1,907,253	0	0.00%	2,012,166	104,913	5.50%
Total E&G Expenses	14,218,807	(187,873)	-1.30%	15,852,508	1,633,701	11.49%
Auxiliary Enterprises	2,142,126	(56,495)	-2.57%	2,210,910	68,784	3.21%
Total Operating Expenses	16,360,933	(244,368)	-1.47%	18,063,418	1,702,485	10.41%
Excess Revenue over Expenses	1,418,439	685,172	93.44%	655,071	(763,368)	-53.82%
Annual Budget Conversion to Cash Basis						
Capital Expenditures	80,000	(2,113,484)	-96.35%	80,000	0	0.00%
Borrowing Proceeds	0	1,946,800	-100.00%	0	0	0.00%
Principal Payments	575,071	88,488	18.19%	575,071	0	0.00%
Add back Deprciation	0	0		0	0	0.00%
Total Cash Items	655,071	(78,196)	-10.66%	655,071	0	0.00%
Net Cash Basis Budget	763,368	763,368	0.00%	0	(763,368)	-100.00%
Salary,Wage, & Benefit Improvements	443,673	443,673		Included	Included	
Additional Approved Searches & Vacancies	319,695	319,695		Included	Included	
Net Cash Basis Budget	0	0		0	0	0.00%