

BACKGROUND:

Each month a new set of reports will be emailed to you, and these reports will also be posted to the University Budget website. Please let me know if there are other individuals who would benefit from receiving these reports.

Effective with the April 2010 reports, these reports have been updated:

Campus Revenue Management Report: Two new columns have been added, *Revenue Type* shows university wide and department revenue subtotals, while *Mgt Rpt Account* provides for better sorting and subtotalling of the various revenue accounts.

Campus Expense Management Report: A column has been added to sort and subtotal by payroll costs and operating expense (non-payroll) costs.

Lottery Expense Management Reports: The Summary report has an added column to sort and subtotal by payroll costs and operating expense (non-payroll) costs.

All of the reports have been updated to show the last closed period (and month) at the top of the page and to report only activity through the end of the last closed period. Previously, the reports included activity up to the date the report was printed.

If you have a suggestion for changing the reports, please let me know. Otherwise, these are the reports that will be forwarded to you each month.

The Campus Revenue Management Report and the Campus Expense Management Reports show activity for HSU's state operating funds. The Lottery Expense Management Reports show activity for the lottery funds.

A NOTE ON SELF SUPPORTING ACTIVITIES:

Remember that the activities shown on the Campus Revenue Management Report and the Campus Expense Management Reports show activities in the state operating funds, which is the only area of the University that includes state appropriations. All other areas of HSU, including the Lottery funds and all the activities not reported on the monthly management reports, represent self-supporting activities that are expected to "balance their budgets or better" each year. It is important to note for Other Miscellaneous Funds, Self Supporting Enterprises and Auxiliary Organizations, which are not included in the monthly reports, that revenues from these self supporting activities must remain with the unit and be used for the purpose intended. As a result, these funds are generally not available for use by another unit of HSU.

REVENUE:

The *Campus Revenue Management Report* shows the revenue generated by HSU from student fees, non-resident tuition and other sources. In addition to the revenue shown on the management report, HSU receives state appropriations. It is important to review this report to determine HSU's overall revenue situation.

State University Fee (SUF) is the largest revenue source on the report. SUF, non-resident tuition and many of the student fees are assessed at the beginning of each academic term. Once Spring fees are assessed in November, it is expected that the actual student fees will only decrease by a small percentage through year-end, due to student withdrawals and refunds. Therefore by November, the report should show that HSU has met or exceeded its overall revenue budget for the year, and should reach year-end in balance or with some unallocated fee revenue to replenish fund equity.

Also, please remember that revenues are noted as a negative number in our financial system and on this report, so a negative number in the Original Budget, Revised Budget and Actuals is normal. Conversely, in the far right column called Balance, a positive number indicates that the budget has been met or exceeded, while a negative number means that the actual revenues are currently short of the budget.

Fees are reported by category. Category 1 fees are set by the Board of Trustees and include only the State University Fee, Non-Resident Tuition, Application fee and the Graduate Business Professional fee. Category 2 fees are set by HSU and include Materials, Facilities and Services Fee, Health Service fee, ID card fee, Humboldt Orientation Program (HOP), etc. Category 3 fees include miscellaneous course fees, fieldtrip fees and student professional liability insurance. Category 4 fees are paid to HSU for items such as transcripts, library fines, late fees, etc. Transfers include Chancellor’s Office Systemwide Allocation Transfers (SWATs), CMS loan draws, CMS loan payments, cost recovery, interest earnings, etc.

EXPENSE:

There are three *Campus Expense Management Reports* showing HSU’s expenses. The *Fund by Object Groups* report provides a highly summarized view of expenses. It is important to look for campuswide trends in this report, particularly in the percent of budget spent. The percent of budget spent column on the report shows the ratio of the actuals plus encumbrances over the revised budget. Following is a chart of the percents for each month:

Period and Month	Percent of Budget Spent
1. July	8.33%
2. August	16.67%
3. September	25.00%
4. October	33.33%
5. November	41.67%
6. December	50.00%
7. January	58.33%
8. February	66.67%
9. March	75.00%
10. April	83.33%
11. May	91.67%
12. June	100.00%

The chart assumes that each month's spending patterns are approximately equal. Therefore, if expenses for the fiscal year either track to or are less than the percents above, HSU will reach year-end either balanced or with some roll-forward of unspent budget.

The *Fund by MBU* (Major Budget Unit) report shows expenses by HSU's six major divisions with details by MBU. It is important to review the percent of budget spent by division to ensure that a particular division is not overspending. A divisional problem might not show up on the more summarized, Ledger by Object Groups report.

The *Fund by Category* report identifies each division's expenses as payroll (salaries, work study, benefits) or services and supplies (operating expenses). This report is important to identify, for example, a case where a division may be overly relying on payroll savings from vacant positions to fund its supplies expenses. A problem can arise if at some point insufficient payroll savings are being generated. Also, University Wide's percentage will not follow the monthly spending pattern. In University Wide, nearly the entire State University Grant (SUG) financial aid budget is spent by March, since financial aid is awarded near the beginning of each term. In 2009-10, SUG accounted for over half of the entire University Wide budget.

LOTTERY EXPENSE:

There are two *Lottery Expense Management Reports*. The *Summary* report provides a high level snapshot of the lottery funds by object group. The *Summary by Department* report shows the lottery budgets allocated to various departments and the amounts spent by department.

Lottery funds are expected to be spent each year, so the percent of budget spent should track to the monthly chart above, particularly towards year-end. It is particularly important that Lottery funds be spent down by year-end. If HSU's lottery roll-forward exceeds the Chancellor's limit, the University will be required to submit a written plan to justify the University's allocation and to reduce the excess balance.