



Budget Book

2023-2024



OHIO
UNIVERSITY

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1 Executive Summary

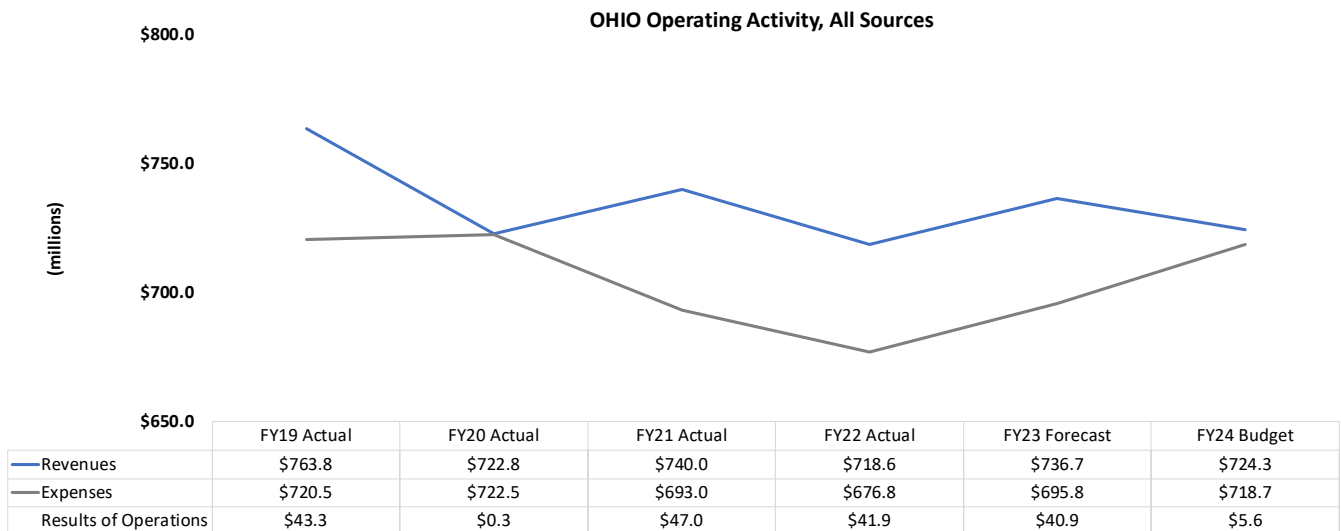
The development of the FY24 Budget represents a campus-wide planning effort with a continued emphasis on ensuring a sustainable financial future for Ohio University. OHIO has balanced revenues and expenses in FY24 and remains focused on developing and implementing strategies to achieve a sustainable multi-year budget.

OHIO’s ability to balance FY24 revenues and expenses within its Operating Activity is impacted by the following:

- Stronger incoming cohorts from FY22 & FY23 progressing through their undergraduate career.
- Strategic investments in financial aid, student success, enrollment management, and marketing results in a budget planning scenario that supports the (FY24) incoming cohort enrollment assumptions that build upon our successes in FY23. While we will not know the final Fall 2023 freshman enrollment figures until mid-September, early indicators suggest we will exceed the FY24 budgeted enrollment.
- Continued adjustment to employee compensation budgeting practices to incorporate historical structural turnover and vacancy savings.
- Inflationary compensation expenses were absorbed within planning unit budgets.

The final State of Ohio Biennial Budget is not yet approved as of the date of this budget book publication. Our FY24 budget represents a conservative approach given that the legislature is still finalizing its decisions on tuition increases and State Share of Instruction funding. As a result, this budget assumes no increases in these categories but there is potential for additional revenue once the state budget is passed. The Board of Trustees Tuition Resolution to approve the All Funds Operating Budget gives the President authorization to adjust the budget during the fiscal year to ensure that total expenditures do not exceed available resources.

The results of our FY24 budget planning efforts are depicted in the graph below.



Executive leadership is committed to prioritizing investments that focus on student success. Additionally, providing competitive compensation to attract, recognize, and retain employees is critical. It is imperative that future year planning focuses on expense reduction and creating efficiencies to support these initiatives. Our biannual budget process is multi-year and allows the University to be proactive in managing financial challenges that may arise and determine strategic investments needed to support the mission of the University.

2 Summarized Budgets & Forecasts

2.1 Budget Explanations

The following section contains summarized budget views of revenues and expenses for the OHIO Operating Units. Financials for GAAP Adjusted Totals are presented in Section 5.

OHIO Operating Units represent the core units of the institution, separated into the following four categories:

- Athens Campus (Athens Colleges, Administrative & Academic Support, Central & Reserve Units)
- College of Medicine (Athens, Cleveland, and Dublin Campuses)
- Regional Campuses (Vice Provost for Regional Higher Education & Partnerships, Chillicothe, Eastern, Lancaster, Southern, and Zanesville Campuses)
- Auxiliary Units (Intercollegiate Athletics, Culinary Services, Housing & Residence Life, and Transportation & Parking Services)

GAAP Adjusted Totals include the OHIO Operating Units noted above, and also include the following:

- Non-Operating Units (Endowment, Capital, Century Bond, and Internal Bank)
- Component Units (TechGROWTH Ohio, Muskingum Recreation Center (ending FY23) & OUF subsidiaries)
- Financial Statement Adjustments—GAAP adjustments required for external audited financial statements, including GASB 68 pension and GASB 75 health benefit (OPEB) unfunded liabilities; elimination of capital expenditures and addition of depreciation; elimination of bond principal payments; debt premium, discount, and refunding amortizations; and multiple year-end accruals.

Given that the OHIO Operating Unit financials represent the core activity of the institution against which forecasts are measured and presented to the Board of Trustees, as well as the fact that Financial Statement Adjustments can result in significant impacts to historical financial trends, unless otherwise noted, all figures presented throughout Sections 2—4 of the Budget Book reflect OHIO Operating Units only, therefore excluding Non-Operating Activity, Component Units, and Financial Statement Adjustments. The focus on OHIO Operating Unit activity is consistent with historical budget book presentations. Section 5 contains summarized financial information for historical GAAP Adjusted Consolidated totals and the FY24 GAAP Adjusted Total budget. Additionally, the financial information contained within the Budget Book reflect all sources of funds, including unrestricted, designated, gifts & endowment distributions, and externally restricted dollars.

The FY24 planning unit budgets are available on the Budget Book website as a supporting linked Excel file.

Throughout the Budget Book, all numbers are presented in millions, rounded to one decimal, unless otherwise indicated. This rounding may create discrepancies in subtotals. Finally, chart of account realignment activities may result in minor changes in our year-end operating reporting when compared to prior budget book publications.

2.2 FY24 Budget (OHIO Operating Units—Consolidated)

REVENUES (in millions)		FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
1	State Appropriations	176.3	186.9	187.3	185.5	182.3
2	Gross Undergraduate Tuition & Fees	277.0	255.0	246.3	254.2	261.9
3	UG Student Financial Aid	(63.8)	(71.1)	(75.2)	(86.1)	(98.0)
4	Net Undergraduate Tuition & Fees	213.2	183.8	171.1	168.1	163.8
5	Gross Graduate Tuition & Fees	125.0	126.9	126.7	122.1	121.5
6	Graduate Student Financial Aid	(28.5)	(29.2)	(30.3)	(31.4)	(30.2)
7	Net Graduate Tuition & Fees	96.5	97.7	96.4	90.7	91.2
8	Room & Board	68.4	25.9	80.0	98.7	108.3
9	Grants & Contracts	49.5	91.6	71.5	58.6	54.6
10	Facilities & Admin Cost Recovery	7.8	8.8	9.6	9.7	9.5
11	Endowment Distributions	29.1	31.4	31.7	33.9	35.2
12	Contributions	9.5	9.2	12.1	22.6	10.3
13	Investment Income	5.6	12.7	0.5	6.6	7.1
14	Internal & External Sales	66.9	92.1	58.5	62.2	61.9
15	Total Revenues	722.8	740.0	718.6	736.7	724.3
16	Spending Authorization	-	-	-	-	-
17	Total Revenues & Revenue Allocation	722.8	740.0	718.6	736.7	724.3

18	Total Funding Transfers	1.1	(0.4)	(0.1)	-	-
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EXPENSES

19	Total Salaries, Wages, & Other Payroll	361.0	319.1	328.6	334.2	346.7
20	Total Benefits	121.2	113.8	115.8	118.4	126.4
21	Supplies, Services, & Capital Costs	167.6	197.8	165.7	186.6	193.9
22	Internal Principal & Interest	71.6	62.7	66.7	56.5	51.7
23	External Debt Service - Principal	-	-	-	-	-
24	External Debt Service - Interest	-	-	-	-	-
25	Depreciation	-	-	-	-	-
26	Total Direct Expenses	721.4	693.4	676.9	695.8	718.7
27	Capital Cost Allocation	-	-	-	-	-
28	Contribution Margin	-	-	-	-	-
29	Total Expenses & Expense Allocations	721.4	693.4	676.9	695.8	718.7

30	Results of Operations	0.3	47.0	41.9	40.9	5.6
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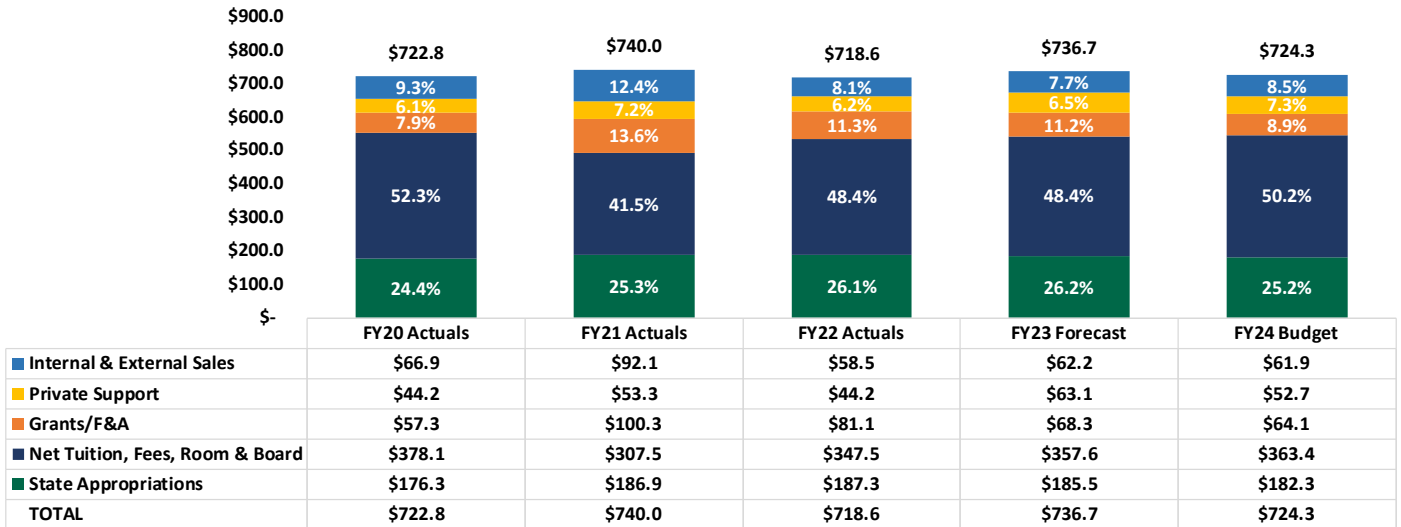
2.3 FY24 Budget (OHIO Operating Units by Unit Type)

REVENUES (in millions)		Auxiliaries	College of Medicine	Regional Campuses	Athens Campus	FY24 Budget
1	State Appropriations	-	25.9	17.3	139.0	182.3
2	Gross Undergraduate Tuition & Fees	-	0.1	22.0	239.7	261.9
3	UG Student Financial Aid	(27.9)	-	(5.5)	(64.6)	(98.0)
4	Net Undergraduate Tuition & Fees	(27.9)	0.1	16.5	175.1	163.8
5	Gross Graduate Tuition & Fees	-	50.5	-	71.0	121.5
6	Graduate Student Financial Aid	(0.0)	(5.8)	-	(24.3)	(30.2)
7	Net Graduate Tuition & Fees	(0.0)	44.6	-	46.7	91.2
8	Room & Board	108.3	-	-	-	108.3
9	Grants & Contracts	-	4.4	3.1	47.1	54.6
10	Facilities & Admin Cost Recovery	-	1.3	-	8.2	9.5
11	Endowment Distributions	0.2	1.9	0.9	32.2	35.2
12	Contributions	0.3	0.6	0.4	9.1	10.3
13	Investment Income	-	-	-	7.1	7.1
14	Internal & External Sales	19.2	0.6	0.5	41.5	61.9
15	Total Revenues	100.0	79.6	38.7	506.0	724.3
16	Spending Authorization	18.0	-	0.5	(18.5)	-
17	Total Revenues & Revenue Allocation	118.1	79.6	39.1	487.5	724.3
18	Total Funding Transfers	7.4	(1.5)	(0.6)	(5.3)	-
EXPENSES						
19	Total Salaries, Wages, & Other Payroll	29.4	35.4	20.6	261.3	346.7
20	Total Benefits	10.1	12.1	8.0	96.2	126.4
21	Supplies, Services, & Capital Costs	38.7	14.7	5.6	135.0	193.9
22	Internal Principal & Interest	11.6	6.6	-	33.5	51.7
23	External Debt Service - Principal	-	-	-	-	-
24	External Debt Service - Interest	-	-	-	-	-
25	Depreciation	-	-	-	-	-
26	Total Direct Expenses	89.7	68.9	34.2	526.0	718.7
27	Capital Cost Allocation	1.4	0.7	-	(2.1)	-
28	Contribution Margin	10.6	11.7	5.0	(27.4)	-
29	Total Expenses & Expense Allocations	101.7	81.3	39.2	496.5	718.7
30	Results of Operations	8.9	(0.2)	0.6	(3.6)	5.6

3 Revenues

Summary of Operating Revenue Sources

Summary of Revenue Sources
(in millions)



Notes: (1) FY20 , FY21, and FY22 include COVID-related grant revenue of \$4.2M, \$45.5M, and \$25.6M respectively; (2) FY20 & FY21 include \$4.2M and \$45.5M, respectively, of Internal Sales revenue associated with the accounting treatment to recognize the COVID-related funds.

These major revenue categories will be explained further in the following subsections.

3.1 State Appropriations

State appropriations represents funding provided by the Ohio Legislature in the biennial Operating Budget Bill. Included in the state appropriations budget are both the State Share of Instruction (SSI) as well as specific higher education program support through line item appropriations. In addition, the University receives State Capital Appropriations to support deferred maintenance initiatives, which is included as part of the Non-Operating Capital budget and therefore not contained in the table below.

OHIO’s FY24 budget was developed during ongoing deliberations on the FY24-25 State of Ohio Operating Budget; the FY24 OHIO budget assumes a 0% appropriation increase in SSI support. The final FY24 SSI allocations will be finalized by the Ohio Department of Higher Education and shared with the Board of Trustees as part of the FY24 forecast during upcoming board meetings.

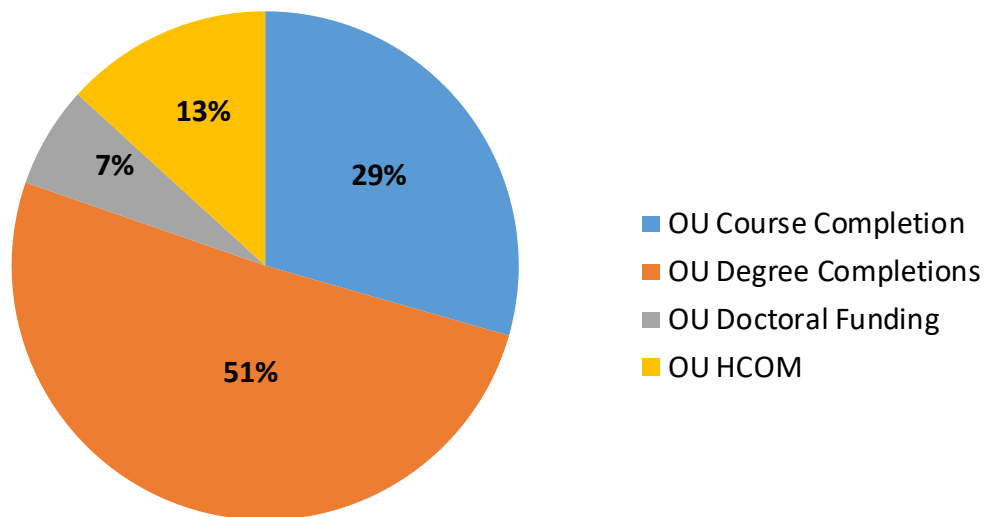
(in millions)	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
State Share of Instruction	\$ 168.3	\$ 178.5	\$ 179.7	\$ 178.0	\$ 174.8
Line Item Appropriations	8.1	8.4	7.6	7.5	7.5
Total State Appropriations	\$ 176.3	\$ 186.9	\$ 187.3	\$ 185.5	\$ 182.3
<i>% of University Operating Revenues</i>	24%	25%	26%	25%	25%

State Share of Instruction (SSI)

SSI is an annual, fixed-dollar appropriation from the State of Ohio that subsidizes the cost of education for Ohio resident students. Since FY15, the public university SSI funding formula has been comprised of five components: course completions; degree completions; doctoral funding; Med 1 (Veterinary Medicine and Dentistry); and Med 2 (MD or DO programs). Ohio University does not receive funding for the Med 1 component.

OHIO's Share of Enrollments, Course Completions, & Degree Completions

For the four components OHIO receives funding, the FY24 appropriations are comprised of the following:

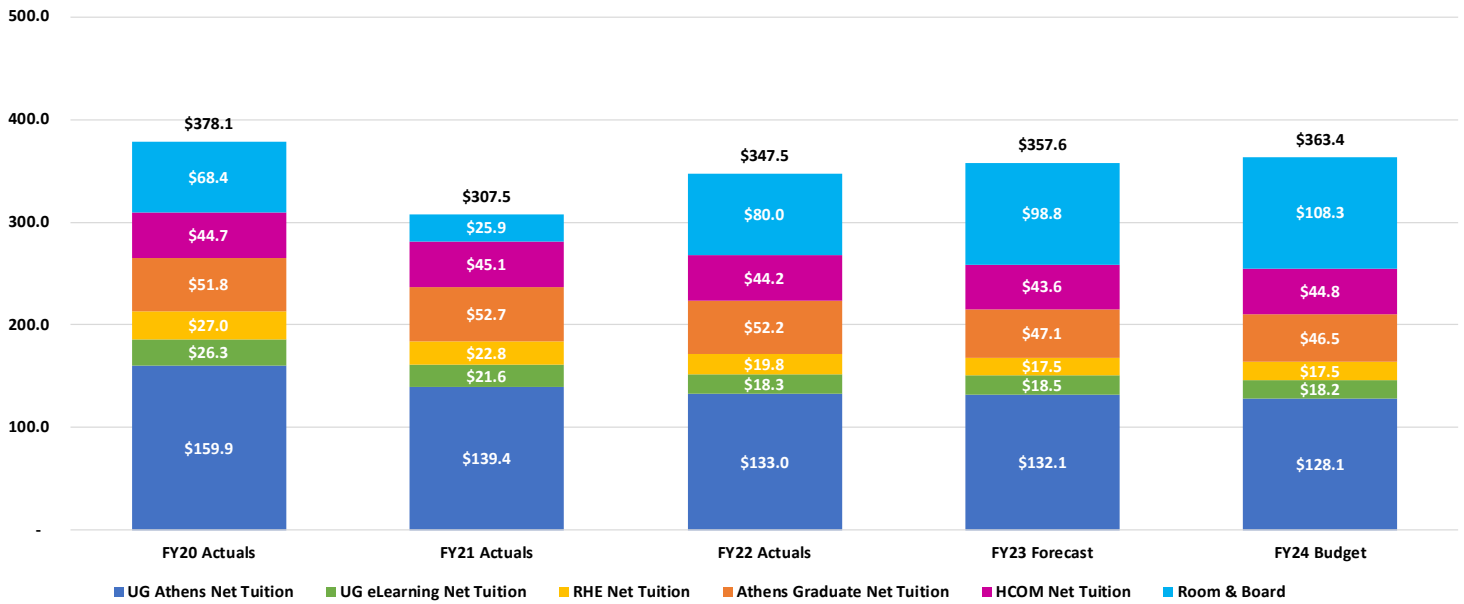


While the state's SSI funding formula is based on completions, each institution's student enrollments are a key driver in the allocation of state support. Specifically, OHIO's SSI funding is dependent on how student enrollments and completions change annually, as well as how those changes compare within the public university sector. Due to the compounded nature of enrollment trajectories on degree production and the significant time delay for SSI degree completion funding, declines in undergraduate enrollments experienced over the past few years will start to be realized in our SSI earnings this year (FY24) with projected annual changes through FY26. Moreover, when OHIO's Athens incoming cohort enrollments increase, our allocation will not be positively impacted by those additional students until approximately five years after enrollment growth occurs.

3.2 Net Tuition, Fees, Room & Board

Net Tuition, Fees, Room & Board is inclusive of Undergraduate (Athens, Regionals, and OHIO Online); Graduate; College of Medicine; and Room & Board revenues. Tuition and fees include instructional, non-resident, general, technology, course, and program fees, as applicable with net of institutional financial aid expenditures subtracted.

In FY23, increased enrollments created the need to lease third-party housing space for students which created additional expense; see discussion in Section 3. The third-party leased housing space is planned for FY24 to support the continuing FY23 class and strong FY24 incoming cohort. The University will be moving forward with the priorities outlined in OHIO’s 2022 Housing Master Plan to continue to address housing needs to support our student demand.



Note: the COVID-19 pandemic greatly impacted the FY20 and FY21 actuals, most noticeably the decrease in Room & Board revenue, as the institution refunded pro-rated Spring term Room & Board revenue in FY20 and realized significantly less revenue in FY21 due to limited on-campus student presence.

3.2.1 Enrollment Trends

Ohio University’s FY24 budgeted revenue reflects the strength in overall enrollment realized in FY23. The following charts provide a summary of the historical and projected headcounts that are assumed in our FY24 budget which are a result of implementing institutional goals and strategies to recruit and retain students.

3.2.1.a Athens Undergraduate End-of-Term Headcount

Athens - Undergraduate Headcount (Fall Unduplicated; excluding OHIO Online)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
Resident	14,010	12,972	12,445	12,720	13,229
Non-resident	2,103	1,953	2,060	1,965	2,026
Total	16,113	14,925	14,505	14,685	15,255

3.2.1.b Athens Undergraduate Census Headcount: Incoming Cohort

Athens - Undergraduate Incoming Cohort (Fall Unduplicated)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
Resident	3,199	2,682	3,055	3,908	3,660
Non-resident	472	444	609	533	540
Total New Freshmen	3,671	3,126	3,664	4,441	4,200
Resident	286	289	256	259	270
Non-resident	60	37	53	51	55
Total Transfers	346	326	309	310	325
Total Incoming Cohort	4,017	3,452	3,973	4,751	4,525

3.2.1.c OHIO Online Undergraduate End-of-Term Headcount

OHIO Online Undergraduate Headcount (Fall Unduplicated)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
<i>Total Undergraduate</i>	4,973	4,445	3,905	3,435	2,920

3.2.1.d Regional Campus End-of-Term Headcount

Regional Campuses (Fall Unduplicated)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
<i>Total Undergraduate</i>	5,524	4,983	4,258	3,746	3,542

3.2.1.e Doctor of Osteopathy (HCOM) End-of-Term Headcount

HCOM Headcount (Fall Unduplicated)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
Athens Campus	540	523	493	475	470
Dublin Campus	224	251	273	274	273
Cleveland Campus	214	226	228	238	236
Total	978	1,000	994	987	979

3.2.1.f Athens College Traditional Graduate End-of-Term Headcount

Athens College Graduate Headcount (Fall Unduplicated; excluding OHIO Online)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
Arts & Sciences	590	532	584	578	578
Business	270	280	274	189	186
Communication	225	231	190	153	153
Education	460	437	425	502	502
Engineering & Technology	224	210	199	185	196
Fine Arts	254	263	264	258	268
George Voinovich School	72	78	72	58	44
Graduate College	30	42	32	33	34
Health Sciences & Professions	535	498	501	489	441
International Studies	101	63	76	86	86
Total	2,761	2,634	2,617	2,531	2,488

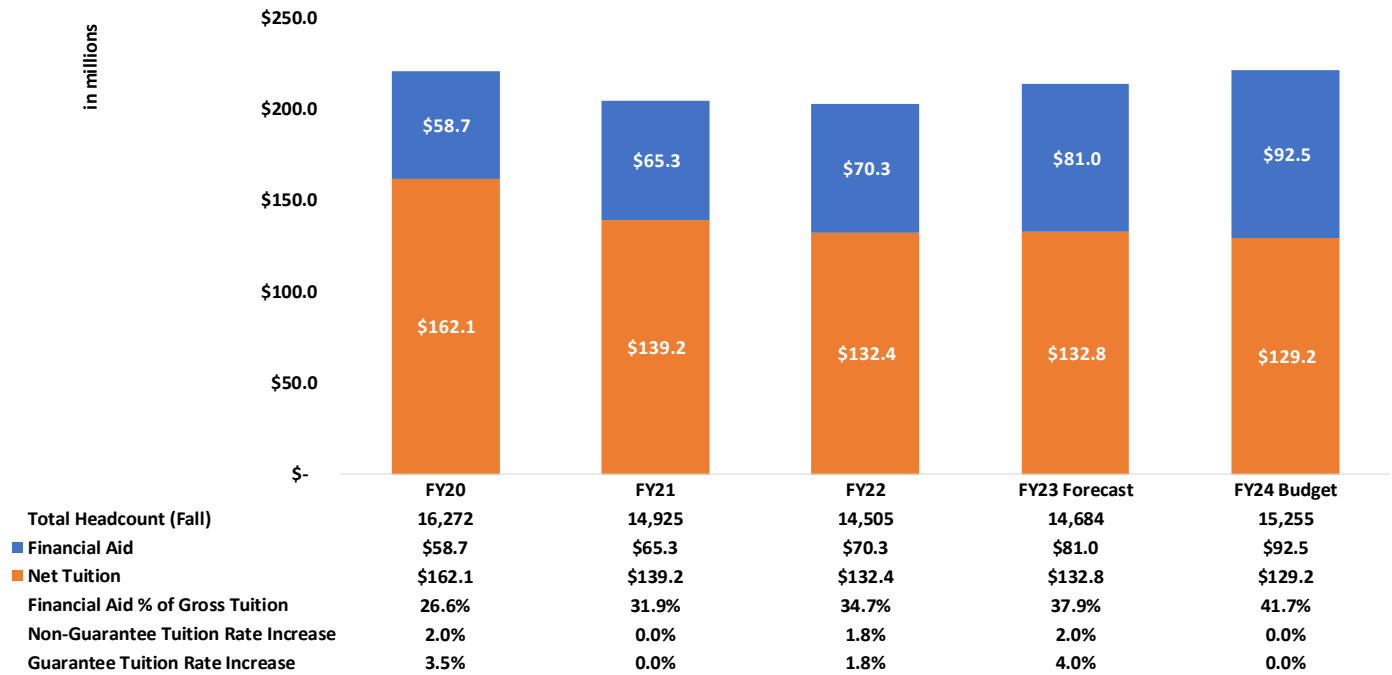
3.2.1.g OHIO Online Graduate End-of-Term Headcount

OHIO Online Graduate Headcount (Fall Unduplicated)					
	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
Arts & Sciences	220	253	302	279	264
Business	830	878	816	715	745
Communication	8	13	2	43	53
Education	309	323	259	151	150
Engineering & Technology	355	295	276	253	279
Fine Arts	5	9	12	13	18
George Voinovich School	93	72	66	67	66
Graduate College	0	1	1	1	0
Health Sciences & Professions	827	978	1,074	1,024	936
International Studies	0	0	0	0	0
Total	2,647	2,822	2,808	2,546	2,510

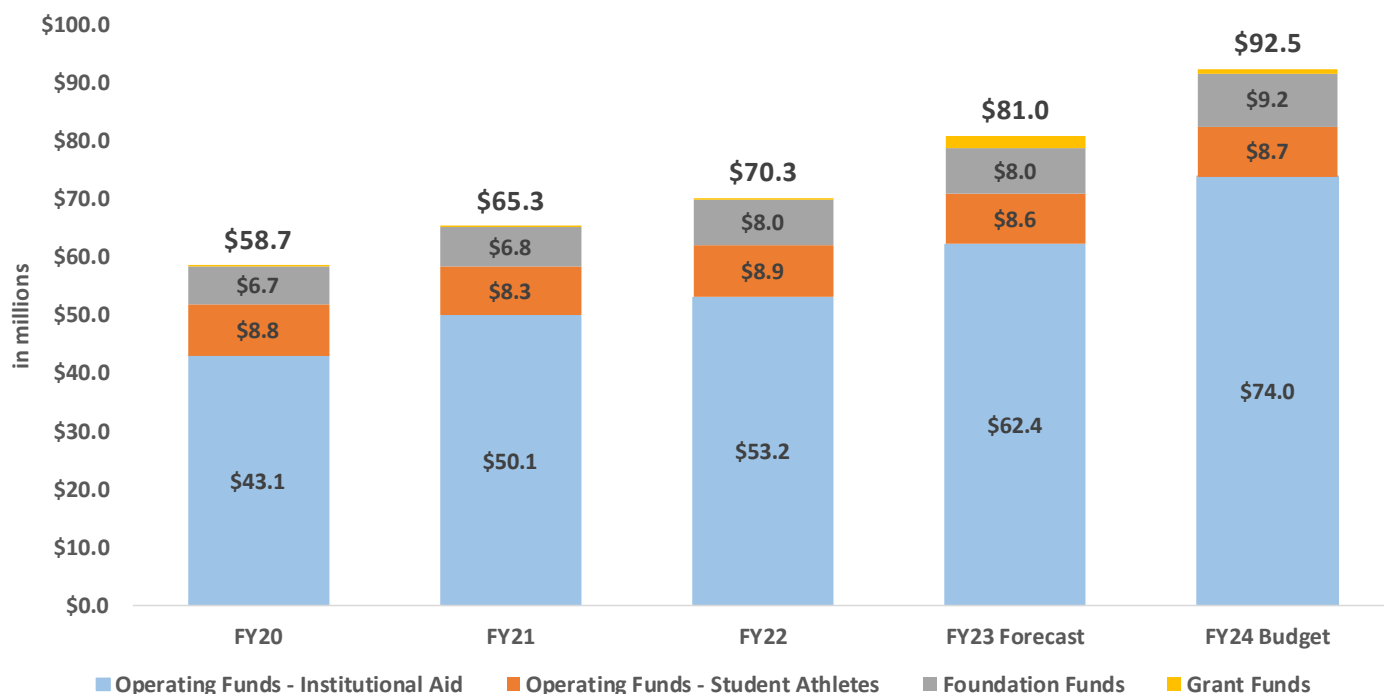
3.2.2 Athens Undergraduate Tuition & Financial Aid

Athens campus undergraduate cohort enrollment declines experienced between FY17 through FY22 continue to impact the University’s financial results. As noted in Section 3.1, those lower enrollments will continue to impact OHIO’s SSI allocation through FY26 due to the significant lag built into the state’s funding model and will continue to impact tuition as those cohorts progress through their undergraduate careers. Incoming cohort enrollment assumptions for Fall 2023 (FY24), when taken in consideration with the strong FY23 class size and prior year retention and persistence rates, suggest a continued recovery of total undergraduate Athens headcount enrollments in FY24.

The chart below reflects the trended net tuition (orange), financial aid (blue), and total gross tuition (column total) for Athens undergraduate students. The institution has made significant investments in student financial aid given OHIO’s prioritization of student affordability and recognition of the additional cost of acquiring students. The chart on the subsequent page details the sources of Athens undergraduate financial aid during this time period.



Between FY20 and the FY24 budget, the student financial aid offered to Athens undergraduate students is projected to increase from \$58.7M to \$92.5M, with sources detailed in the chart below. Scholarships funded by the Foundation are the result of generous donor gifts but may contain restrictions for use. Future-year fundraising efforts for financial aid, particularly for those without use restrictions, represents a significant opportunity for increasing the amount of aid available for students. Scholarships funded by operating dollars for student athletes reflects full or partial financial assistance provided to athletes that meet or exceed academic and athletic performance levels. The largest category of institutional aid is funded by operating dollars and provides support based on financial need and for high academic achieving students and creatively gifted students through a variety of aid offerings, and has been the focus of strategic investments to prioritize student affordability.



3.2.3 Room & Board

All freshman and sophomore students enrolled on the Athens Campus are required to reside in University housing and participate in a mandatory meal plan, subject to certain exemptions. Similar to tuition, each incoming OHIO Guarantee Cohort’s room and board rates will remain unchanged for four years. Room and board rate changes for incoming Guarantee Cohorts may be subject to the same legislative caps as the Cohort’s tuition. The State’s biennial budget has not yet been approved as of the publication of this budget book.

For FY24, the University is budgeting a 4.5% price increase across all room types to continue moving forward with the priorities outlined in OHIO’s 2022 Housing Master Plan.

The University contracted with a third-party to bulk lease additional housing capacity on campus to support the higher-than-budgeted enrollments in FY23, which is budgeted to continue in FY24. Although the additional students resulted in higher revenues, they were offset with higher expenses associated with the lease.

3.3 Grants/Facilities & Administrative Cost Recovery

Grants and Contracts are restricted funds that must be spent on the activity of the grant and also include the reimbursement of direct expenses (cost recovery) incurred on sponsored projects and exclude the following:

- Grants for financial aid that are netted against the tuition revenues
- State capital grants and line items that are included in the state appropriations

<i>(in millions)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
Grants & Contracts - Federal Gov't	\$ 18.5	\$ 28.5	\$ 28.9	\$ 42.8	\$ 42.4
Grants & Contracts - Local Gov't	1.9	0.8	0.3	0.6	0.4
Grants & Contracts - State Gov't	7.2	6.6	6.4	8.8	7.1
Total Government Grants	\$ 27.6	\$ 35.8	\$ 35.7	\$ 52.2	\$ 49.9
Grants & Contracts - COVID Support	4.2	45.5	25.6	-	-
Grants & Contracts - Private/Foundation	17.7	10.3	10.2	6.4	4.7
Total Grants & Contracts	\$ 49.5	\$ 91.6	\$ 71.5	\$ 58.6	\$ 54.6

3.4 Private Support

Endowment distributions represent the internal distribution of endowment income based upon shares held in the endowment portfolio of the foundation. The annual endowment distribution to planning units is equal to the product of a 4% spending rate and the endowment’s average market value for the trailing 36 months (ending December 31). Additionally, an administrative fee is charged by the foundation as a percentage of the trailing 36 month market value. The administrative fee for FY24 is 1.6%.

Gifts contained in OHIO’s Operating Activity reflect non-endowed (expendable) gifts to the University. Endowed gifts (non-expendable) are reflected in the Non-Operating Endowment budget (see Section 5). Gifts are recorded as revenue by units in the year the cash is received.

Most of the University’s investment income is contained in its Non-Operating units of Endowment, Century Bond, Internal Bank, and Component Units, as it represents the interest, dividends, and investment returns earned on the working capital and investment pools of the University (see Section 5). The investment income reflected in OHIO’s Operating Activity supports the operations of the Foundation and the Strategic Opportunity Reserve.

<i>(in millions)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
Endowment Distributions	\$ 29.1	\$ 31.4	\$ 31.7	\$ 33.9	\$ 35.2
Gift Contributions - Expendable	9.5	9.2	12.1	22.6	10.3
Investment Income	5.6	12.7	0.5	6.6	7.1
Total Private Support	\$ 44.2	\$ 53.3	\$ 44.2	\$ 63.1	\$ 52.7

3.5 Internal & External Sales

Internal Sales represent sales between operating units of the University.

External sales includes royalties, sales and services, and other sales. This includes non-student revenue generated from academic activities, clinical revenues, and retail sales from auxiliary operations (e.g. parking, transportation, athletic ticket sales, and sponsorship agreements).

Based on the accounting treatment used to spend down COVID-relief funds, the Internal Sales line includes \$4.2M in FY20 and \$45.5M in FY21 of paired Internal Charge (IC) revenue associated with COVID funds. The offsetting paired IC expense code appears in Supplies, Services, and Capital Costs.

<i>(in millions)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
External Sales	\$ 31.1	\$ 18.7	\$ 29.7	\$ 31.4	\$ 31.7
Other Sources	9.3	10.3	9.3	10.0	9.5
Internal Sales	26.5	63.0	19.6	20.8	20.7
Total Internal & External Sales	\$ 66.9	\$ 92.1	\$ 58.5	\$ 62.2	\$ 61.9

3.6 Spending Authorization

Spending Authorization represents the central funding provided to Planning Units to support their operating costs. Central revenues that support the allocation of revenue to Athens' Colleges and Administrative units are derived from SSI, Athens UG net tuition, and contribution margins paid by the Auxiliary units, the Heritage College of Medicine (HCOM), VP of Advancement, and Regional Campuses.

The following charts provide information on the allocation of spending authorization.

FY24 Academic Spending Authorization

<i>(in millions)</i>	FY24 Spending Authorization Budget	Unit Share of Spending Authorization	FY24 Net Revenue Budget	Spending Authorization as a Share of Net Revenue
Arts and Sciences	\$ 49.4	37%	\$ 65.4	76%
Business	15.2	11%	35.1	43%
CIS	1.0	1%	1.3	80%
Communication	12.4	9%	15.6	80%
Education	8.4	6%	15.8	53%
Engineering	16.1	12%	34.3	47%
Fine Arts	13.9	10%	17.6	79%
Health Sciences	4.8	4%	36.8	13%
Honors	2.4	2%	2.2	109%
University College	6.7	5%	6.0	111%
Voinovich	3.5	3%	20.1	17%
Regional Campuses	0.5	0%	39.1	1%
TOTAL	\$ 134.2		\$ 289.3	46%

FY24 Central & Administrative Spending Authorization

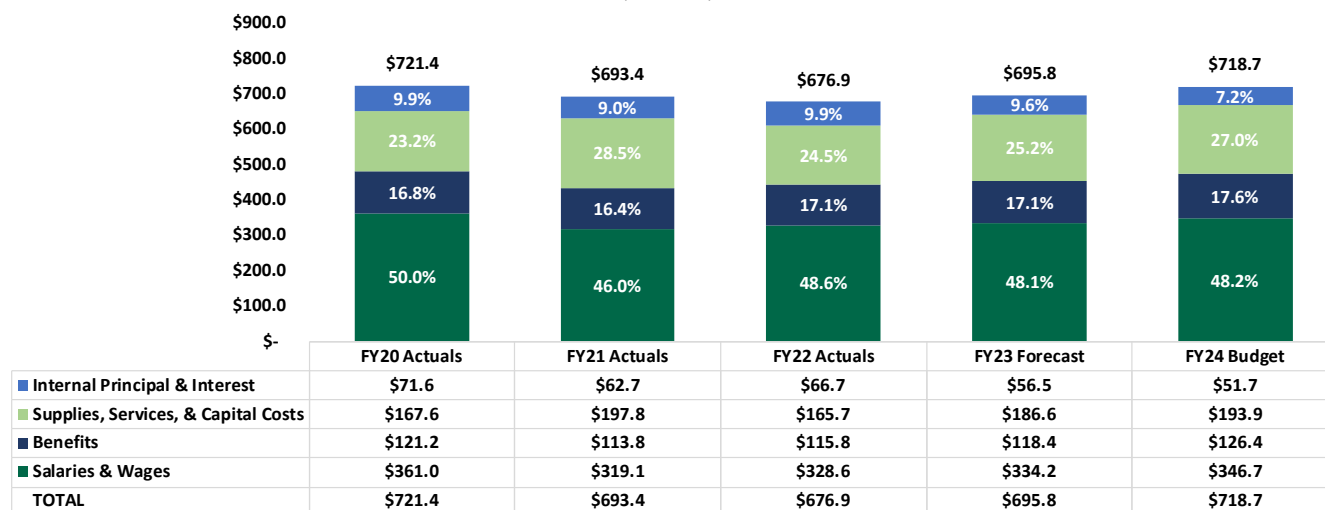
<i>(in millions)</i>	FY24 Spending Authorization Budget	Unit Share of Spending Authorization	FY24 Net Revenue Budget	Spending Authorization as a Share of Net Revenue
Academic Administrative Units*	\$ 14.3	6%	\$ 20.8	69%
Athletics	18.0	8%	17.6	102%
Central Operations & Reserves**	21.4	10%	33.7	63%
Debt Service	31.6	14%	31.6	100%
Diversity and Inclusion	2.7	1%	2.8	98%
Enrollment Management	18.6	8%	19.3	96%
Finance & Administration	14.9	7%	16.1	93%
Information Technology	25.4	11%	26.6	95%
Marketing	7.0	3%	7.0	100%
Operations & Maintenance	36.3	16%	39.0	93%
President	4.5	2%	4.5	100%
Provost	11.6	5%	16.3	71%
Research	5.0	2%	10.3	48%
Student Affairs	10.7	5%	13.3	80%
TOTAL	\$ 222.0		\$ 258.8	86%

4 Expenses

Summary of Operating Expenditures

Summary of Direct Expenses

(in millions)



Notes: (1) FY20 Internal P&I includes HCOM's advance principal repayment in the amount of \$14.2M; (2) FY21 COVID-19 expenses offset with one-time CARES Act funding.

4.1 Salaries, Wages, & Other Compensation

As the University realized smaller enrollments beginning in FY17, OHIO began turning to cost-savings efforts to help offset revenue losses. The University offered voluntary separation programs, in addition to enacting faculty and staff reductions that are evidenced in the salary and employee headcount charts below and on the following pages. In FY22 and FY23, the University paid a one-time bonus to eligible employees, also reflected in the table below. Higher enrollments in FY23 created the need for additional staffing to support the increased students which contributes to the higher wages in the FY23 forecast and carrying forward into the FY24 budget.

The table below reflects historical and budgeted faculty, staff, student, and graduate student salaries, wages, and other compensation. Please note the FY24 budget includes a 2.0% raise pool for eligible faculty and staff.

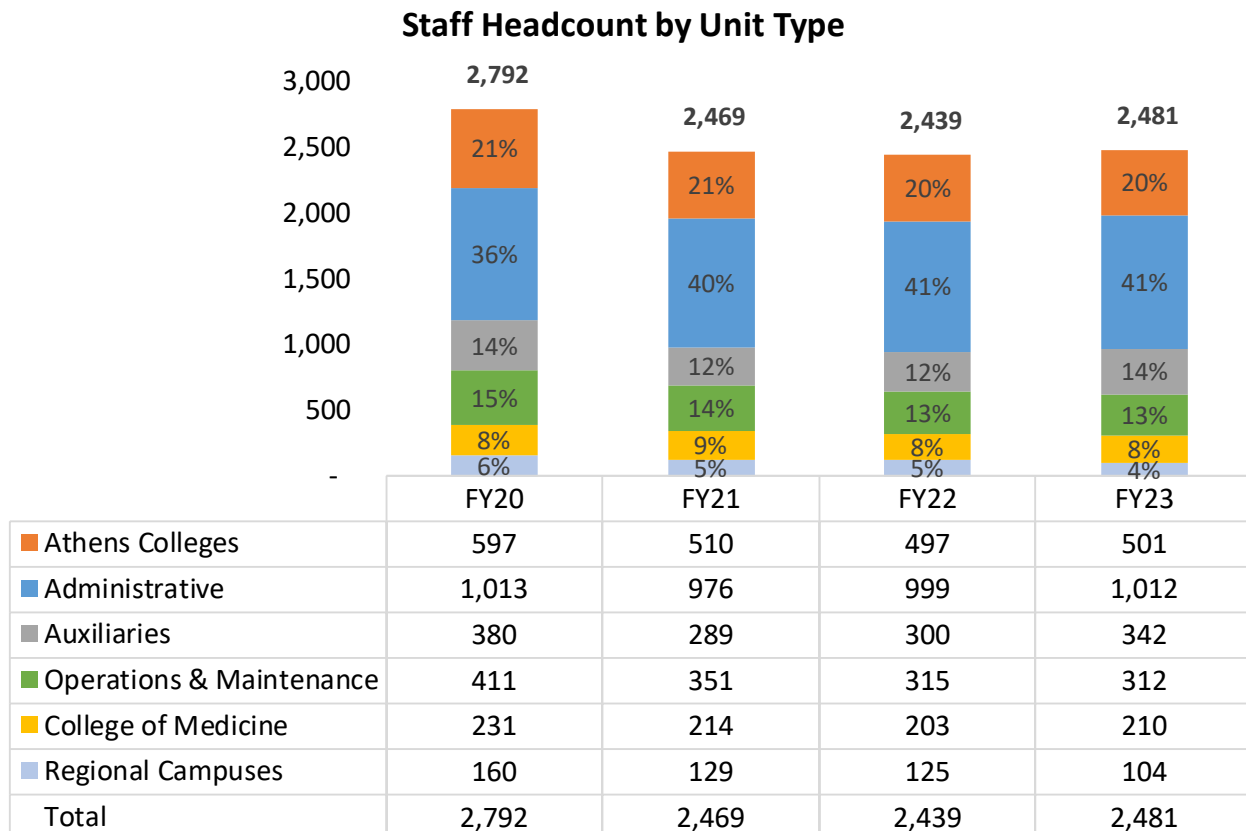
(in millions)	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
Faculty Salaries	\$ 140.9	\$ 126.8	\$ 124.2	\$ 121.3	\$ 126.2
Staff Salaries & Wages	169.5	158.3	162.2	166.3	179.1
Student Wages	15.8	7.9	12.6	14.9	16.5
Graduate Student Wages	22.0	22.0	21.9	20.8	21.8
Total Wages	\$ 348.1	\$ 314.9	\$ 320.8	\$ 323.4	\$ 343.6
Other Compensation	2.5	1.6	2.4	3.4	3.1
Other Compensation: VSRP & ERIP	10.4	2.6	5.4		
Bonus Funding	-	-	6.9	7.5	
Total Salaries, Wages, & Other Compensation	\$ 361.0	\$ 319.1	\$ 335.5	\$ 334.2	\$ 346.7

4.1.1 Employee Headcount

The following tables illustrate the University’s employment trends by job category. It is important to note that the headcounts represent a snapshot of filled positions as of November 1st of each year (census date used for IPEDS reporting), including both full-time and part-time employees, but excluding temporary and intermittent staff, as well as Fixed-Term Instructors (formerly Group III faculty). The census is taken on November 1 of each year to provide a consistent frame of reference and does not exactly represent staffing level fluctuations throughout the year. The headcounts are inclusive of all funding sources, including operating funds, grant funds, and foundation funds. All employee headcount figures presented throughout the Budget Book reflect census headcounts.

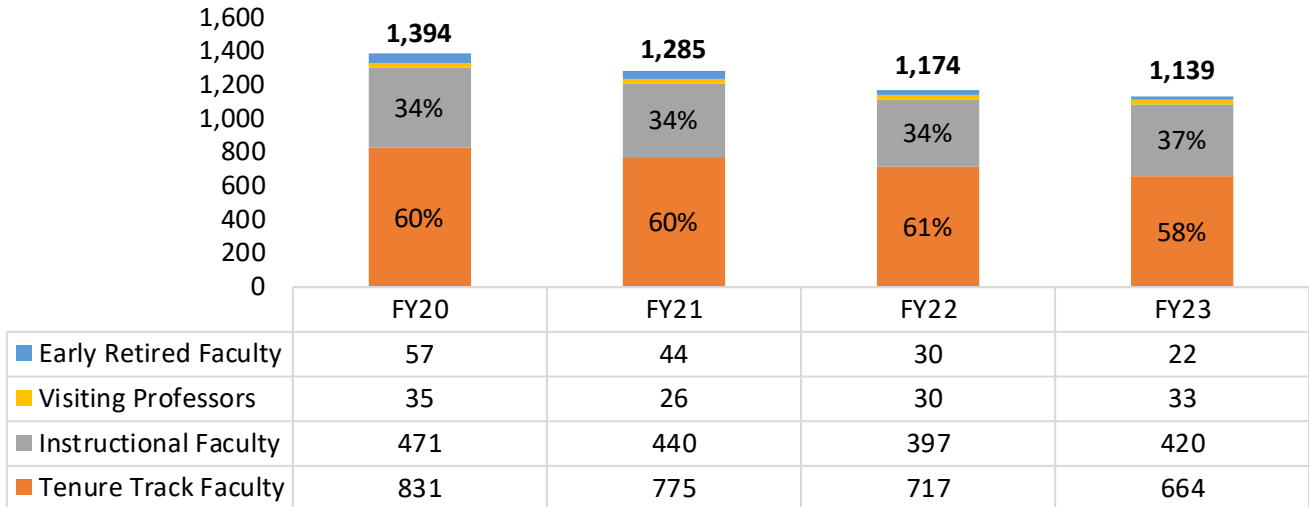
Employee Headcount by Job Category				
	FY20	FY21	FY22	FY23
Early Retired Faculty	57	44	30	22
Tenure Track Faculty	831	775	717	664
Instructional Faculty	471	440	397	420
Visiting Professors	35	26	30	33
<i>Subtotal: Faculty</i>	<i>1,394</i>	<i>1,285</i>	<i>1,174</i>	<i>1,139</i>
Staff	2,771	2,443	2,419	2,465
Post Doc	21	26	20	16
<i>Subtotal: Staff</i>	<i>2,792</i>	<i>2,469</i>	<i>2,439</i>	<i>2,481</i>
Total Job Category Headcount	4,186	3,754	3,613	3,620

The chart below shows trended staff headcounts across the institution since FY20.

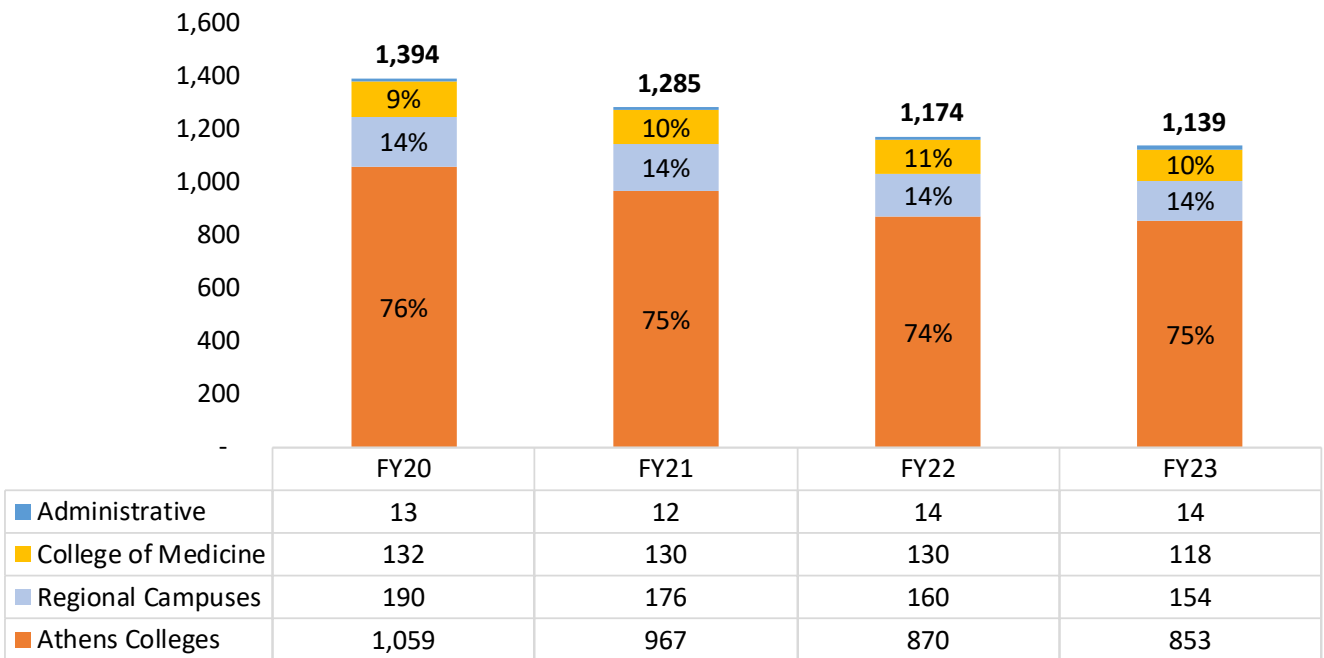


The charts below show trended faculty headcounts across the institution since FY20. Throughout this time period, the University has offered two Voluntary Separation or Retirement Programs (VSRP), with the VSRP 2020 program extending into FY21. Participation in the VSRP's are as follows: FY20= 74; FY21= 21; FY22= 45.

Faculty Headcount



Faculty Headcount by Unit Type



4.2 Benefits

The University provides a comprehensive benefits program to faculty and staff as part of their total compensation package, as detailed below.

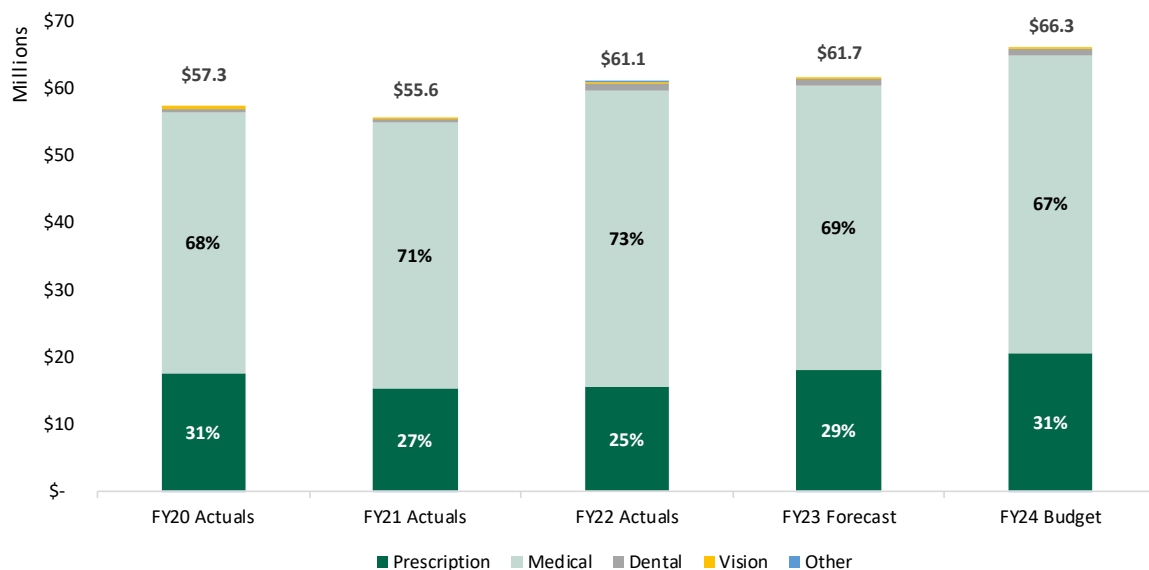
- Healthcare: health, vision, dental, life and disability insurances, etc. for faculty and staff
- Variable Benefits: retirement contributions and legally mandated benefits (workers compensation, Medicare, etc.)
- Employee Fee Waivers: educational benefits for faculty, staff, retirees, and their dependents
- Other Benefits: retirement payouts, AFSCME contract related costs, relocation expenses, etc.

<i>(in millions)</i>	FY20	FY21	FY22	FY23	FY24
	Actuals	Actuals	Actuals	Forecast	Budget
Healthcare	\$ 57.3	\$ 55.6	\$ 61.1	\$ 61.7	\$ 66.3
Variable Benefits	51.9	46.4	\$ 46.1	47.9	50.7
Employee Fee Waivers	8.8	8.2	7.5		
Other Benefits	3.2	3.6	1.2	8.8	9.5
Total Benefits	\$ 121.2	\$ 113.8	\$ 115.8	\$ 118.4	\$ 126.4
<i>Y-O-Y Growth</i>		<i>-6%</i>	<i>2%</i>	<i>2%</i>	<i>7%</i>

Healthcare Expenses

In FY19-FY21, OHIO realized decreases in health-related expenses as it underwent workforce reductions. Although FY23 healthcare expenses are expected to be slightly lower than FY22 results, the FY24 budget assumes an increase of \$4.3M due to rising healthcare costs and increased employee headcount. Given the size and relative growth of healthcare expenses, the Benefits Advisory Council is charged with keeping the growth in the University's share of healthcare expenses at or below 5% through plan design changes and changes to premiums in conformance with the guiding principles and strategies under the direction of the President.

The graph below reflects trends in healthcare expense categories:



4.3 Supplies, Services, & Capitalized Costs

FY23 experienced higher expenses in Occupancy & Maintenance and Cost of Goods sold as a result of increased enrollments, which correspond to the increase in Room & Board revenue. Additionally, inflationary cost increases for utilities, travel, and maintenance supplies created higher expenses than prior years.

<i>(in millions)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
Supplies & Services	\$ 113.6	\$ 154.8	\$ 114.0	\$ 124.7	\$ 126.2
Occupancy & Maintenance	34.5	29.6	33.7	38.1	42.4
Capital Costs	5.9	5.0	3.8	6.9	7.2
Cost of Goods Sold	13.6	8.4	14.2	16.9	18.2
Total Supplies, Services, & Capitalized Costs	\$ 167.6	\$ 197.8	\$ 165.7	\$ 186.6	\$ 193.9
<i>Y-O-Y Growth</i>		18%	-16%	-6%	4%

Historical COVID impacts to the Supplies & Services line include:

- In FY20 and FY21, Internal Charge (IC) expenses associated with COVID funds were recorded, and the offsetting paired IC revenue appears as Internal Sales.
- Lower FY20 and FY21 actuals for Supplies & Services and Cost of Goods Sold (COGS), as a result of restricted travel and reduced auxiliary operations from limited on-campus student presence.

4.4 Internal Loans & Debt Service

Under the University's Internal Bank and Century Bond Bank models, internal loans are established to fund certain projects. Funds are received centrally as internal loan payments are used to support external debt service payments.

Please note that FY20 includes a \$14.2M advance principal repayment from the College of Medicine.

<i>(in millions)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 Budget
Internal Loan - Principal & Interest	\$ 71.6	\$ 62.7	\$ 66.7	\$ 56.5	\$ 51.7

4.5 Expense Allocations

Capital Cost Allocation

Capital Cost Allocation represents an allocation methodology that collects for internal loan debt service (principal and interest) on Central loans. As it is an internal redistribution, Capital Cost Allocation nets out within the Operating Activity of the institution.

Contribution Margin

Contribution Margin reflects support from the College of Medicine, Regional Campuses, and Auxiliaries that serves as the funding mechanism for academic and administrative support functions across the institution.

5 GAAP Adjusted Budgets

5.1 GAAP Adjusted Totals — Consolidated

		FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Forecast	FY24 GAAP Adjusted Budget
REVENUES (in millions)						
1	State Appropriations	189.0	202.2	206.1	206.1	202.6
2	Gross Undergraduate Tuition & Fees	277.0	255.0	246.3	254.2	261.9
3	UG Student Financial Aid	(63.8)	(71.1)	(75.2)	(86.1)	(98.0)
4	Net Undergraduate Tuition & Fees	213.2	183.8	171.1	168.1	163.8
5	Gross Graduate Tuition & Fees	125.0	126.9	126.7	122.1	121.5
6	Graduate Student Financial Aid	(28.5)	(29.2)	(30.3)	(31.4)	(30.2)
7	Net Graduate Tuition & Fees	96.5	97.7	96.4	90.7	91.2
8	Room & Board	68.4	25.9	80.0	98.7	108.3
9	Grants & Contracts	56.4	92.9	71.9	59.6	63.8
10	Facilities & Admin Cost Recovery	7.8	8.8	9.6	9.7	9.5
11	Endowment Distributions	-	-	-	-	-
12	Contributions	19.2	45.2	46.4	79.3	29.3
13	Investment Income	32.7	286.8	(143.8)	85.9	87.8
14	Internal & External Sales	73.7	97.9	49.9	67.8	48.6
15	Total Revenues	756.9	1,041.2	587.6	865.9	805.1
16	Spending Authorization	-	-	-	-	-
17	Total Revenues & Revenue Allocation	756.9	1,041.2	587.6	865.9	805.1
18	Total Funding Transfers	0.0	-	-	-	-
EXPENSES						
19	Total Salaries, Wages, & Other Payroll	364.2	317.7	331.7	334.2	346.7
20	Total Benefits	159.4	11.6	28.7	118.4	126.4
21	Supplies, Services, & Capital Costs	178.1	210.3	172.6	193.4	175.9
22	Internal Principal & Interest	-	-	-	-	-
23	External Debt Service - Principal	0.1	0.3	0.2	-	-
24	External Debt Service - Interest	28.0	26.6	26.2	25.6	25.3
25	Depreciation	59.5	63.7	64.5	63.0	64.4
26	Total Direct Expenses	789.3	630.2	623.9	734.6	738.6
27	Capital Cost Allocation	-	-	-	-	-
28	Contribution Margin	-	-	-	-	-
29	Total Expenses & Expense Allocations	789.3	630.2	623.9	734.6	738.6
30	Results of Operations	(32.3)	411.0	(36.3)	131.3	66.5

5.2 GAAP Adjusted Totals — FY24 Budget by Unit Type

	Auxiliaries	College of Medicine	Regional Campuses	Athens Campus	FY24 Operating Budget	Non-Operating Activity	Financial Statement Adj & Component Units	GAAP Adj Totals
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REVENUES (in millions)

1	State Appropriations	-	25.9	17.3	139.0	182.3	20.4	-	202.6
2	Gross Undergraduate Tuition & Fees	-	0.1	22.0	239.7	261.9	-	-	261.9
3	UG Student Financial Aid	(27.9)	-	(5.5)	(64.6)	(98.0)	-	-	(98.0)
4	Net Undergraduate Tuition & Fees	(27.9)	0.1	16.5	175.1	163.8	-	-	163.8
5	Gross Graduate Tuition & Fees	-	50.5	-	71.0	121.5	-	-	121.5
6	Graduate Student Financial Aid	(0.0)	(5.8)	-	(24.3)	(30.2)	-	-	(30.2)
7	Net Graduate Tuition & Fees	(0.0)	44.6	-	46.7	91.2	-	-	91.2
8	Room & Board	108.3	-	-	-	108.3	-	-	108.3
9	Grants & Contracts	-	4.4	3.1	47.1	54.6	9.3	-	63.8
10	Facilities & Admin Cost Recovery	-	1.3	-	8.2	9.5	-	-	9.5
11	Endowment Distributions	0.2	1.9	0.9	32.2	35.2	(35.2)	-	-
12	Contributions	0.3	0.6	0.4	9.1	10.3	19.0	-	29.3
13	Investment Income	-	-	-	7.1	7.1	80.1	0.6	87.8
14	Internal & External Sales	19.2	0.6	0.5	41.5	61.9	0.2	(13.5)	48.6
15	Total Revenues	100.0	79.6	38.7	506.0	724.3	93.7	(13.0)	805.1
16	Spending Authorization	18.0	-	0.5	(18.5)	-	-	-	-
17	Total Revenues & Revenue Allocation	118.1	79.6	39.1	487.5	724.3	93.7	(13.0)	805.1
18	Total Funding Transfers	7.4	(1.5)	(0.6)	(5.3)	-	-	-	-

EXPENSES

19	Total Salaries, Wages, & Other Payroll	29.4	35.4	20.6	261.3	346.7	-	-	346.7
20	Total Benefits	10.1	12.1	8.0	96.2	126.4	-	-	126.4
21	Supplies, Services, & Capital Costs	38.7	14.7	5.6	135.0	193.9	89.5	(107.6)	175.9
22	Internal Principal & Interest	11.6	6.6	-	33.5	51.7	(51.7)	-	-
23	External Debt Service - Principal	-	-	-	-	-	13.0	(13.0)	-
24	External Debt Service - Interest	-	-	-	-	-	25.8	(0.6)	25.3
25	Depreciation	-	-	-	-	-	-	64.4	64.4
26	Total Direct Expenses	89.7	68.9	34.2	526.0	718.7	76.6	(56.7)	738.6
27	Capital Cost Allocation	1.4	0.7	-	(2.1)	-	-	-	-
28	Contribution Margin	10.6	11.7	5.0	(27.4)	-	-	-	-
29	Total Expenses & Expense Allocations	101.7	81.3	39.2	496.5	718.7	76.6	(56.7)	738.6
30	Results of Operations	8.9	(0.2)	0.6	(3.6)	5.6	17.1	43.8	66.5