



Table of Contents

Executive Summary	iii
<hr/>	
Overview	1
<hr/>	
Budget	
Delegation of Authority to the Administration	1
Summary Revenue and Expense by Program Budget	2
Summary Revenue and Expense by Account Budget	3
Operating Resources by Source	4
Operating Uses by Program	6
Operating Uses by Account	8
<hr/>	
Student Fees	
Academic Fee Schedule	
Undergraduate Student Academic Fee Schedule	1
Graduate Student Academic Fee Schedule	3
<hr/>	
Supplemental	
Comparison of the Operating Budget with Audited Financial Statements	1
Operating Resources by Source	3
Operating Uses by Program	4
Operating Uses by Account	5
<hr/>	
Glossary	
Definition of Terms	1

Executive Summary

Introduction

This document presents Clemson University's proposed FY 2012-13 Operating Budget and the Student Tuition and Fee Schedules as approved by the Board of Trustees on June 13, 2012. The proposed budget is an estimate of the anticipated sources and uses of funds in FY 2012-13. It reflects the University's plan and serves as a management tool to drive accountability by providing a reference point for measuring actual financial performance. Multiple views of the proposed operating budget are presented in the Budget section to promote a consistent, transparent basis for reporting financial performance to the Board throughout FY 2012-13. The Supplemental Section offers an alternative view of the budget that is comparable to the Statement of Revenues, Expenses and Changes in Net Assets (SRECNA) in the University's Comprehensive Annual Financial Report (CAFR), which is based on Generally Accepted Accounting Principles (GAAP). This section describes the differences between an operating budget perspective and the financial statement or CAFR perspective, and provides a view reconciling the two perspectives.

Operating Budget Highlights:

Clemson University has decisively and responsibly addressed unprecedented reductions in funding from the State of South Carolina and economic challenges over the last five years. The University has focused on enhancing revenue sources and aggressive management of costs to offset the decline in State Appropriations. As a result, Clemson University has a sound financial base and has demonstrated financial stability to support its core mission areas of Instruction, Research, and Public Service and the scope of the University's programs and services. The proposed FY 2012-13 Operating Budget supports the University's 2020 Plan, providing a top-quality education for students, expanding research endeavors, providing exemplary public service programs, and driving economic development in South Carolina. Through strategic divestment, resource reallocations and increased revenue generation, the plan further advances the University's mission objectives by enhancing student engagement, providing IT infrastructure, addressing critical deferred maintenance and improvement of physical assets, and increasing investments in world-class faculty and staff.

Clemson University's FY 2012-13 comprehensive budget continues to emphasize investing in the core mission activities of Clemson University – Instruction, Research, and Public Service. In fact, the University's Instruction budget is one of the few programs that is higher now than pre-recession levels. The three programs combined will see an overall increase of \$13.1M. The University's total operating resources include unrestricted, restricted, and fund balance resources plus noncash waivers. These resources, which support annual operating uses, produce an overall increase of 5.5%. Projected unrestricted annual operating revenues and expenses for the University's two most important core mission areas, Educational and General (E&G) and Public Service Activities (PSA), are anticipated to increase by \$24.4M, or 5.6%. The University continues to employ the strategy of helping to fund critical investments with a combination of reallocations and divestments, coupled with new revenue generation. It is important to note that administrative costs continue to be an area of cost containment for the University. The proposed FY 2012-13 Institutional Support budget is approximately 40.0% lower than the FY 2008-09 Institutional Support budget.

Revenue Summary:

Unrestricted Funds Revenue Summary

- Unrestricted revenues are projected to grow by approximately \$21.1M in tuition and fee revenue, attributable to continuing growth in Distance and Continuing Education, as well as revenue growth from a modest tuition and fee increase of 3.0% for resident undergraduates and 4.0% for non-resident undergraduates.
- While a casual observation suggests that State Appropriations support to Clemson University will increase this year, a deeper analysis reveals that the cost of the state-mandated pay raise is significantly higher than the funding provided to partially cover this cost. For example, the projected cost of the mandated raise is approximately \$9.0M, while State Appropriations to fund this raise total only about \$3.4M. In reality, the mandated raise reduced net resources from State Appropriations by nearly \$6.0M. These unfunded mandates must be borne by other funding sources such as auxiliaries, generated funds, grants and contracts, as well as tuition and fees.

- Highlighting new revenue generation, it is important to recognize that the University's auxiliary operations are projected to contribute approximately \$11.4M to the net unrestricted revenue growth. The projected growth is primarily attributable to increases in Athletic sales and services totaling \$4.5M from the ACC broadcasting contract, corporate sponsorships, improved ticket sales and contributions. Additional growth in auxiliary revenues are attributable to continued growth in contract services provided to external clients by Clemson Computing and Information Technology (\$3.8M), as well as modest increases in housing and meal plan revenues.

Restricted Funds Revenue Summary

- Total Restricted Revenues are projected to remain flat with a slight increase of \$163K, or 0.1% in FY 2012-13. The largest contributor to this net growth is increased support for earmarked special activities within the College of Engineering and Science. Additional growth is projected in Palmetto Fellows and Pell Grants Scholarships, approximately \$1.4M. All of this growth is tempered by a sharp decrease of 6.3% in core sponsored programs and research activity.

Total Operating Resources Summary

- Including all unrestricted resources, restricted revenues and noncash waivers, the projected total operating resource budget is \$859.8M, resulting in a 5.5% increase over FY 2011-12 levels. There are no significant changes in the percentage distribution of funding sources projected for FY 2012-13. Apparent increases in State Appropriations are more than offset by state-mandated cost increases in association with salaries and fringe benefits.

Expense Summary:

- The University's commitment to divest and aggressively generate new revenue to fund the University's 2020 Plan is evidenced by a 6.5% projected increase in Unrestricted annual operating expenses. When excluding the impact of State Appropriations growth over the prior fiscal year, the increase in unrestricted annual operating expenses is 5.6%. As with total resources, total operating uses are projected to increase to \$859.8M, an increase of 5.5% over FY 2011-12 levels. When adjusting this growth for increases in the anticipated use of fund balance resources, noncash waivers, and State Appropriations, the overall increase is only 3.8%.

- Clemson's core mission areas, E&G and PSA, operating expenses are projected to increase 5.6%, while the auxiliary operations are projected to increase by 9.3%. A modest increase in housing and meal plan revenues will support the University's 2020 Plan with investments in major housing and dining facility upgrades and inflationary expenses anticipated in FY 2012-13.

- ▶ Instruction is projected to increase \$10.3M to a total of \$196.3M, representing 22.8% of the total annual operating uses, the University's single largest expense category. This represents a historic high level of investment in Instruction, approximately 6.0% higher than the initial FY 2008-09 budget.
- ▶ Research investments are anticipated to increase \$3.6M. As the second largest component of Clemson's proposed annual operating budget, the \$139.9M investment is 16.3% of Clemson's FY 2012-13 total annual operating expenses. FY 2012-13 levels are projected to be 27.0% higher than in FY 2008-09.
- ▶ Public Service related expenses are projected to remain roughly flat with a slight decrease of \$730K, or 1.1%. This level is 4.0% lower than FY 2008-09 levels.

- Institutional Support is projected to have a modest increase, demonstrating the University's continued commitment to invest in core mission activities through divestments, reallocations and increased efficiencies. This is Clemson's smallest cost category at 3.2% of total operating uses. In FY 2007-08, Institutional Support represented 7.0% of the total budget. In total, Clemson's Institutional Support budget is \$18.1M lower, or 40.0% less than in FY 2008-09.
- Auxiliary program expenses are increasing by \$8.3M, or 8.1%, as a direct result of increased investments in auxiliary facilities and contractual obligations described above.

Unrestricted Funds Expense Summary

- Total unrestricted annual operating expenses are anticipated to increase approximately 6.5%. Clemson's largest unrestricted investment resides in its core mission activities, Instruction, Research and Public Service, representing 52.2% of the unrestricted annual operating budget. Additionally, Clemson's Compensation and Benefits are expected to increase nearly 6.9%, with the majority of the growth in faculty salaries, approximately \$12.8M, as a result of the University's 2020 Plan's goal to invest in faculty. The state-mandated 3.0% cost-of-living adjustment also contributes to this growth.

Restricted Funds Expense Summary

- As with restricted resources, restricted uses are essentially flat, increasing less than 1.0%. The most important highlights from the restricted operating expense budget are described below:
 - ▶ Scholarships and Fellowships program expenditures are projected to increase \$3.0M, a 4.1% increase over FY 2011-12 levels.
 - ▶ Restricted Instruction expenses will increase \$661K or 12.1% as a result of Clemson's commitment to core academic mission.

Total Operating Uses Summary

- Including all unrestricted uses, restricted expenses and noncash waivers, the projected total operating uses budget is \$859.8M. The FY 2012-13 budget includes a 5.5% increase over FY 2011-12 levels demonstrates the University's strategic management of costs and commitment to fund the 2020 Plan through new revenue generation and aggressive internal reallocations.

Proposed FY 2013 Operating Budget (In 000's)

The total proposed operating budget for FY 2012-13 is \$859.8M, 5.5% above the FY 2011-12 budget. It is comprised of three major components – Unrestricted Operating Funds, Restricted Funds and Noncash Items. The total budgets for these components are summarized in **Figure 1**.

Figure 1. Operating Budget by Resource Category

Operating Resources	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent of Total FY 2012-13 Budget	Change Amount	Percent Change
Unrestricted	\$ 632,048	\$ 591,049	73.5%	\$ 40,999	↑ 6.9%
Restricted	183,390	183,227	21.3%	163	↑ 0.1%
Noncash Items	44,325	41,000	5.2%	3,325	↑ 8.1%
Total Sources	\$ 859,763	\$ 815,276	100.0%	\$ 44,487	↑ 5.5%

*Unrestricted operating resources include fund balance resources from prior years.

Unrestricted Funds Resource Summary

Annual unrestricted operating revenues are projected to increase 6.5%. Including prior years' fund balances required to support the anticipated return of generated funds, contractual start-up commitments and research initiatives, total unrestricted operating resources are projected to increase 6.9% above FY 2011-12 levels to \$632.0M. Unrestricted resources represent nearly 74.0% of the University's resources, which are available to further the mission activities of the University.

Unrestricted Operating Resources include four major categories of funding:

- **Educational and General (E&G)** budget includes for the first time since FY 2007-08 an increase in State Appropriations, after four fiscal years of budget reductions totaling \$55.8M. However, this increase in State Appropriations was provided to partially cover the costs of a state-mandated cost-of-living salary increase. The total cost of this mandated increase is approximately \$9.0M, while the State provides only about \$3.4M in funding, nearly \$6.0M less than the mandated costs. These unfunded mandated cost increases must therefore be paid from other sources of revenue such as auxiliary revenues, generated funds and tuition and fees. It is therefore expected that the budget includes growth in tuition and fee revenues and increased departmental revenue generation. In total, E&G operating revenues are expected to increase by 6.6% to \$393.6M. These operating revenues comprise 45.8% of the total resource

budget and 67.0% of the unrestricted operating revenue budget.

- **Public Service Activities (PSA)** operating revenues are approximately 7.2% of the total resource budget and 10.5% of the unrestricted operating revenue budget. PSA operating revenues are projected to remain flat. As with the E&G budget, the PSA budget includes a projected increase in State Appropriations for the state-funded portion of the mandated cost-of-living salary increase, leaving almost one-third of the costs to be funded with PSA generated revenues. This impact to the PSA budget is in addition to the four fiscal years of state budget reductions totaling \$25.1M.
- **Auxiliary Enterprises** operating revenues represent 15.5% of the total resource budget and 22.6% of the unrestricted operating revenue budget. Auxiliary enterprises operating revenues are expected to increase 9.3% to \$133.0M.
- **Fund Balance Resources** projected at \$43.5M, complete the remainder of the unrestricted operating resource budget.

Restricted Funds Resource Summary

Restricted resources account for 21.3% of the total budget and are projected to remain essentially flat, increasing less than 1.0% to \$183.4M. Restricted funds, limited by legal requirements, are available for designated purposes. Restricted funds include three major categories of funding:

- **Sponsored Program Activities** revenues are projected to be lower than the FY 2011-12 budget resulting in the sponsored program activities budget for FY 2012-13 being reduced by 6.3% to \$78.2M. Overall sponsored program activities have increased growth by 30.0% since FY 2001-02.
- **Scholarships and Student Aid** revenues are expected to increase 1.7% to \$87.5M, which includes a projected increase of \$1.0M for the Palmetto Fellows Scholarship Program. This budget is 2.5 times the actual amount in FY 2001-02.
- **Other Restricted** revenues are forecasted to increase 29.1% to \$17.6M, due to increased support for Engineering and Science programs, such as the National Brick Research Center, the Campbell Graduate Engineering Program and Endowed Chairs. Other restricted revenues also include a growth of \$1.8M to promote Science, Technology, Engineering and Mathematics (STEM) education in South Carolina.

- **Noncash Items** represent 5.2% of the total budget and include Noncash Waivers only, which are a valuable tool supporting the University's recruitment and retention of quality students.

Proposed FY 2013 Operating Resources Budget (In 000's)

The operating resources budget consists of the major funding sources shown in **Figure 2**.

Figure 2. Operating Resources Budget

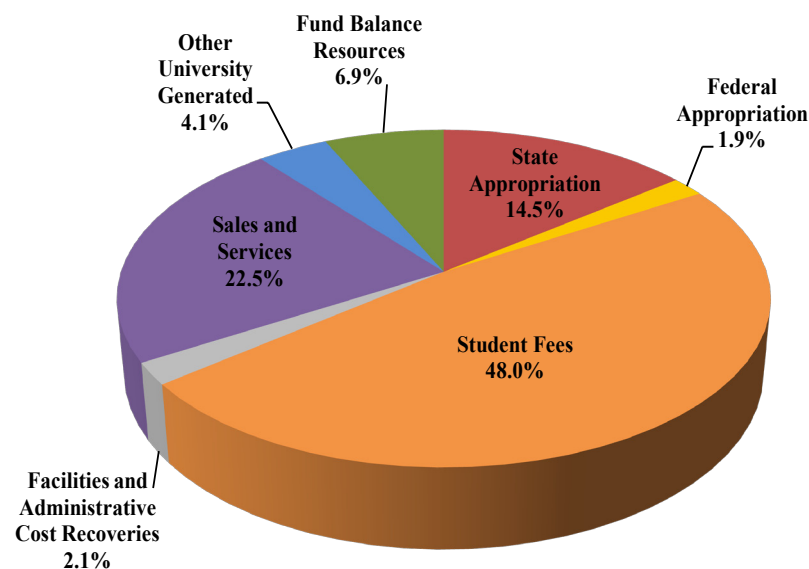
Revenue Source	FY 2012-13 Proposed Budget	Percent of Total FY 2012-13 Budget	FY 2011-12 Initial Budget	Percent of Total FY 2011-12 Budget
Unrestricted Operating Revenue Budget				
State Appropriations	\$ 91,904	10.7%	\$ 87,325	10.7%
Federal Appropriations	12,429	1.4%	11,898	1.5%
Student Fees	303,194	35.3%	282,133	34.6%
Facilities and Administrative Cost Recoveries	13,162	1.5%	13,150	1.6%
Sales and Services	142,035	16.5%	133,624	16.4%
Other University Generated	25,819	3.0%	24,706	3.0%
Fund Balance Resources	43,505	5.1%	38,213	4.7%
Total Unrestricted Operating Revenue Budget	\$ 632,048	73.5%	\$ 591,049	72.5%
Restricted Operating Revenue Budget				
State Higher Education Grants	\$ 46,004	5.3%	\$ 45,250	5.6%
Financial Aid-Grants and Contracts and Other Revenues	41,540	4.8%	40,859	5.0%
Grants and Contracts	94,233	11.0%	95,521	11.7%
Other Restricted Revenue	1,613	0.2%	1,597	0.2%
Total Restricted Operating Revenue Budget	\$ 183,390	21.3%	\$ 183,227	22.5%
Graduate and Undergraduate Waivers	44,325	5.2%	41,000	5.0%
Total Clemson FY 2012-13 Operating Budget	\$ 859,763	100.0%	\$ 815,276	100.0%

Figure 2 details the distribution of the University's revenue by funding sources and provides a comparison between FY 2011-12 and FY 2012-13. It demonstrates the impact of State funding cuts on a proportional basis and the University's greater reliance on Student Fees, Grants and Contracts and other revenue sources. Compared to the prior year, there is little to no change in revenue proportions.

Unrestricted Operating Resources Budget (In 000's)

The Unrestricted Resources budget represents 73.5% of the overall operating resources. The distribution of resources is shown in **Graph 1**.

Graph 1. - Unrestricted Operating Budget



The following sections provide a summary analysis of the FY 2012-13 budget for each of the University's unrestricted funding sources.

 **State Appropriations** ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 91,904	\$87,325	↑ \$ 4,579	↑ 5.2%

The FY 2012-13 budget for State Appropriations reflects additional funding for state-mandated cost increases, which includes a cost-of-living salary adjustment and related fringe benefits costs. As a result, the State Appropriations budget is growing by \$4.6M to \$91.9M. Only \$3.4M of this is new money for FY 2012-13, as approximately \$1.2M was allocated during the prior fiscal year as an allocation to fringe benefits costs. As noted in a previous section, the state-mandated cost-of-living adjustments created an approximately \$6.0M unfunded cost to the University. State Appropriations represent 14.5% of the unrestricted operating revenue budget and 10.7% of the overall budget. Cuts in State funding since FY 2007-08 total \$80.9M, a reduction of 49.0%. Adjusted for inflation, E&G State funding per student is approximately 68.0% lower than it was in 1973.

 **Federal Appropriations** ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 12,429	\$ 11,898	↑ \$ 531	↑ 4.5%

Federal Appropriations are a small percentage of the University's total revenue sources (1.4%). Public Service and Agriculture is the only division in the University projected to receive unrestricted Federal Appropriations in FY 2012-13. This federal funding is used to support research and extension programs within the College of Agriculture, Forestry and Life Sciences. Federal Appropriations represent 19.5% of PSA's total unrestricted resources.

 **Student Fees (includes Cash Waivers)** ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 303,194	\$ 282,133	↑ \$ 21,061	↑ 7.5%

Student Fees represent the largest single source of revenue for the University. The FY 2012-13 projected Student Fees account for 48.0% of the unrestricted budget and 35.3% of the total budget. In total, student tuition and fees are projected to increase approximately \$21.1M. Included in this growth is approximately \$5.0M in online and distance programs and approximately \$16.0M from growth in enrollment and general tuition and fee revenue.

The Board of Trustees approved a 3.0% increase for undergraduate resident and a 4.0% increase for undergraduate non-resident tuition and fees for Fall 2012 (FY 2012-13). The tuition and fee increase for resident undergraduates is the lowest increase in a decade, both in terms of percentage and dollars, due to aggressive cost-cutting measures and a commitment to use internal reallocations and other revenues as primary sources of funding for the 2020 Plan. The tuition and fee increase, new revenue generation, as well as internal reallocations, will provide funding for strategic priorities within the 2020 Plan. These strategic priorities enhance student quality and performance; provide engagement opportunities for all students; attract, retain and reward top people; and build to compete - facilities, infrastructure and technology. These resources will provide increased student engagement opportunities, improved academic facilities, new technology and other activities adding value to the educational experience and directly benefiting students. This budget will allow the University to invest additional funding in compensation, particularly as prescribed by the 2020 Plan to attract and retain world-class faculty.

 **Facilities and Administrative Cost Recoveries** ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 13,162	\$ 13,150	↑ \$ 12	↑ 0.1%

The University recovers Facilities and Administrative Costs (F&A) from extramural sources to cover overhead costs generated by sponsored program activities. F&A cost recoveries represent 1.5% of total sources.

 **Sales and Services** ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 142,035	\$ 133,624	↑ \$ 8,411	↑ 6.3%

Sales and Services are the result of mission-oriented revenue generating activities in the Educational and General and Public Service and Agricultural areas, as well as in Auxiliary Enterprises. Sales and services revenues are expected to increase 6.3% in FY 2012-13. While PSA revenues are expected to decrease, Auxiliary enterprises expects a 9.5% growth in revenue. This growth results from an increase of \$4.5M for the Athletics ACC Broadcasting contract, corporate sponsorships and increased ticket sales producing a 5.7% increase in sales and services revenues overall for Athletics. The Board approved a 3.9% increase in room and board fees in anticipation of improvements in dining, housing and student life facilities. A new campus location for Starbucks will generate additional revenue as well as add variety to dining options for customers. Clemson Computing and Information Technology (CCIT) expects an additional \$3.8M in revenue in FY 2012-13.

 **Other University Generated Revenue** ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 25,819	\$ 24,706	↑ \$ 1,113	↑ 4.5%

Other University Generated Revenue is projected to increase 4.5%, a reflection of the University's commitment to generate other sources of revenue. This revenue source represents 3.0% of the total revenue budget and 4.1% of the unrestricted revenue budget. A \$1.1M increase in revenues is expected based on higher participation levels in summer camps offered by Clemson and growth in revenue generated by the Institute on Family and Neighborhood Life Bullying Prevention program.

 **Graduate and Undergraduate Waivers (Noncash)** ↑

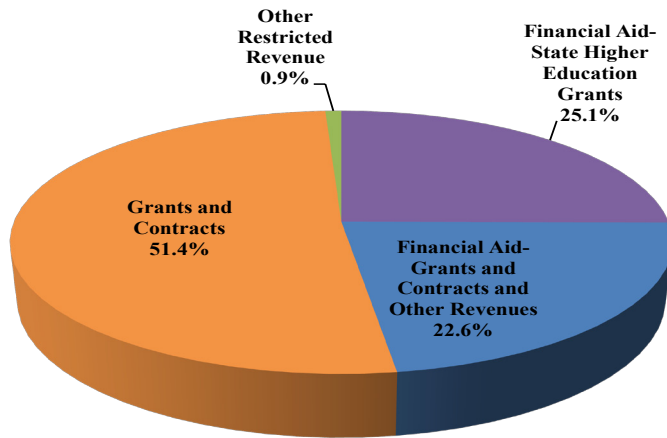
FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 44,325	\$ 41,000	↑ \$ 3,325	↑ 8.1%

Noncash Waivers do not have a cash flow impact and should not be viewed as a monetary operating resource. However, these waivers are important to the University's financial aid strategy and allow Clemson to recruit and retain quality students. Noncash waivers are expected to increase 8.1% in FY 2012-13 due to the 2020 Plan calls for aggressive recruiting and enrollment of a Top-15 student body.

Restricted Operating Resources Budget (In 000's)

The restricted operating revenue budget at \$183.4M accounts for 21.3% of the University's overall resources. The distribution of restricted revenue budget is shown in **Graph 3**.

Graph 3. - Distribution of Restricted Resources



The following sections provide an analysis of the FY 2012-13 budget for each of the University's restricted funding sources as shown in **Graph 3**.

Financial Aid - State Higher Education Grants ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 46,004	\$ 45,250	↑ \$ 754	↑ 1.7%

State Higher Education Grants, primarily LIFE and Palmetto Fellows Scholarships, comprise 5.3% of the projected total revenue budget and 25.1% of the restricted revenue budget. State Higher Education grants to Clemson students are projected to grow primarily due to a \$1.0M increase in Palmetto Fellows Scholarships during the FY 2012-13 budget period.

Financial Aid - Grants and Contracts and Other Revenues ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 41,540	\$ 40,859	↑ 681	↑ 1.7%

Financial Aid - Grants and Contracts and Other Revenues are expected to increase 1.7% with additional funding for Clemson National Scholars and Pell Grants.

Grants and Contracts ↓

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 94,233	95,521	↓ \$ (1,288)	↓ (1.3)%

Grants and Contracts, excluding Financial Aid, are comprised of sponsored program activities and other earmarked funds from external sources. Sponsored program grants and contracts activity is projected to be lower than the FY 2011-12 budget, resulting in a reduction of the FY 2012-13 sponsored program activities budget of 6.3% to \$78.2M. Helping to mitigate this drop in core sponsored program funding, grants and contracts reflects an increase of \$3.8M primarily due to College of Engineering and Science programs including \$1.8M to promote Science, Technology, Engineering and Mathematics (STEM) education in South Carolina and \$1.8M for the National Brick Research Center, Campbell Graduate Engineering Program and Materials Science and Engineering Program.

Other Restricted Revenue ↑

FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
\$ 1,613	\$1,597	↑ \$ 16	↑ 1.0%

Other Restricted Revenue is another small revenue resource representing 0.2% of projected total revenue and 0.9% of restricted revenue. Other restricted revenues are projected to remain relatively stable with slight growth in the Professional Advancement & Continuing Education program.

Proposed Operating Uses Budget by Program (In 000's)

Clemson's proposed operating expense budget for FY 2012-13 is \$859.8M, a 5.5% increase over FY 2011-12 levels. The operating uses budget is presented by program and by account category. The expense budget by program is presented first, as it reflects the University's plan and programmatic priorities. It is summarized in Figure 3, Figure 4 and Graph 4.

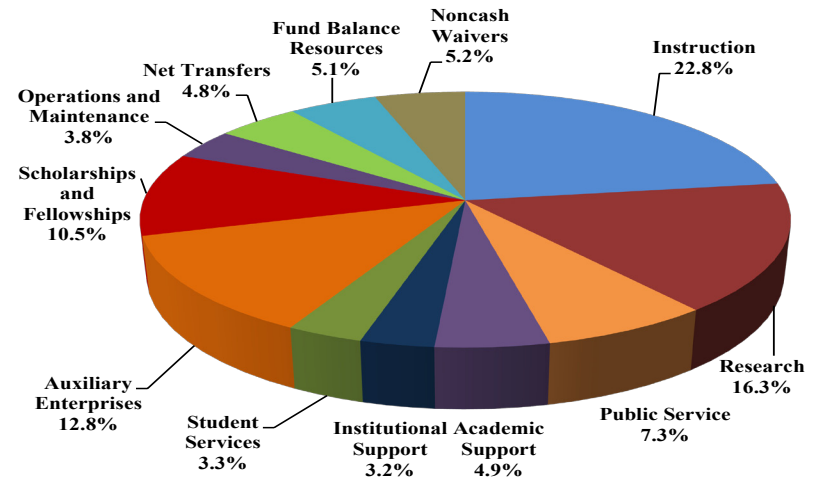
Figure 3. Total University Operating Expense by Program

Program	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Instruction	\$ 196,284	\$ 185,999	5.5%
Research	139,866	136,316	2.6%
Public Service	63,200	63,930	(1.1)%
Academic Support	42,088	37,614	11.9%
Institutional Support	27,213	25,402	7.1%
Student Services	28,523	27,672	3.1%
Auxiliary Enterprises	110,181	101,882	8.1%
Scholarships and Fellowships	90,330	87,172	3.6%
Operations and Maintenance	32,506	30,195	7.7%
Net Transfers	41,742	39,881	4.7%
Total Current Expenses	\$ 771,933	\$ 736,063	4.9%
Fund Balance Resources	43,505	38,213	13.8%
Total Restricted & Unrestricted Expenses	\$ 815,438	\$ 774,276	5.3%
Noncash Waivers	44,325	41,000	8.1%
Total Operating Uses by Program	\$ 859,763	\$ 815,276	5.5%

Figure 4. Operating Expense Budget by Program

Program	Unrestricted	Restricted	Total
Instruction	\$ 190,164	\$ 6,120	\$ 196,284
Research	68,860	71,006	139,866
Public Service	48,234	14,966	63,200
Academic Support	41,738	350	42,088
Institutional Support	25,322	1,891	27,213
Student Services	27,653	870	28,523
Auxiliary Enterprises	110,181	-	110,181
Scholarships and Fellowships	15,846	74,484	90,330
Operations and Maintenance	32,491	15	32,506
Net Transfers	28,054	13,688	41,742
Fund Balance Resources	43,505	-	43,505
Total Operating Expense Budget by Program (Cash)	\$ 632,048	\$ 183,390	\$ 815,438
Noncash Waivers	44,325	-	44,325
Total Operating Expense Budget by Program	\$ 676,373	\$ 183,390	\$ 859,763

Graph 4. - Distribution of Expenses by Program



Instruction is projected as the largest expenditure category on a program basis. This aligns with the University's 2020 Plan to recruit and retain outstanding student and faculty and provide an exceptional educational experience grounded in engagement. Instruction represents 22.8% of total projected expenses and is expected to increase above FY 2011-12 levels by 5.5%. Research expenditures are the second largest program category and are projected to grow by 2.6%. The third largest program component, Auxiliary Enterprises, is expected to increase 8.1%. The fourth largest program component, Scholarships and Fellowships, is expected to increase approximately \$3.2M, bringing the total to \$90.3M, which continues to be more than the combined budgets for Institutional Support, Student Services, and Operations and Maintenance, and is less than half of the Instruction budget.

 **Instruction** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 190,164	\$ 180,540	↑ \$ 9,624	↑ 5.3%
Restricted	\$ 6,120	\$ 5,459	↑ \$ 661	↑ 12.1%

Projected expenses for instructional activities are expected to increase by \$10.3M to \$196.3M which is almost twice as much as the instruction budget for FY 1999-00. This represents a historic high level of investment in instruction, approximately 6.0% higher than the initial FY 2008-09 budget. Unrestricted instruction represents 22.1% of the total budget. The 2020 Plan calls for resources to be reallocated or generated in order to fund strategic priorities. The FY 2012-13 unrestricted instruction budget reflects investments to attract world-class faculty and to retain current outstanding faculty who continuously perform at high levels through classroom experience for students, awards and honors, and generating revenues or cost savings to the University.

As also prescribed by the 2020 Plan, the budget reflects the University's commitment to grow student engagement opportunities for all students, an approximate increase of \$1.2M. Increased demand for online and distance education programs will have a \$2.8M impact on investments in instruction.

 **Research** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 68,860	\$ 63,594	↑ \$ 5,266	↑ 8.3%
Restricted	\$ 71,006	\$ 72,722	↓ \$ (1,716)	↓ (2.4)%

Total Research expenditures are projected to increase by 2.6%, or \$3.6M. FY 2012-13 levels are projected to be 27.0% higher than in FY 2008-09. This increase supports the 2020 Plan priority to attract, retain, and reward top people through competitive compensation. The budget includes adjustments for the state-mandated cost-of-living salary increase, as well as increased graduate student support programs.

 **Public Service** ↓

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 48,234	\$ 47,900	↑ \$ 334	↑ 0.7%
Restricted	\$ 14,966	\$ 16,030	↓ \$ (1,064)	↓ (6.6)%

Unrestricted Public Service expenses are projected to remain roughly flat in FY 2012-13. The restricted public service expenses are projected to be lower than the FY 2011-12 budget, resulting in the budget for FY 2012-13 being decreased by 6.6%, or \$1.1M. Overall, this budget is 4.0% lower than FY 2008-09 levels.

 **Academic Support** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 41,738	\$ 37,163	↑ \$ 4,575	↑ 12.3%
Restricted	\$ 350	\$ 451	↓ \$ (101)	↓ (22.4)%

Academic Support represents 4.9% of the proposed expense budget. Expenses for academic support are projected to increase in total by 11.9% to \$42.1M which is still below FY 2006-07 levels. This increase supports the 2020 Plan priority to attract, retain, and reward top people through competitive compensation. The budget includes adjustments for the state-mandated cost-of-living salary increase, as well as new critical hires in academic administration crucial to supporting faculty in providing academic excellence to students through student engagement, ensuring success in economic development programs, and generating revenue and cost savings. Also contributing to this budget increase are growing costs associated with additional investments in the Honors College and International Affairs.

 **Institutional Support** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 25,322	\$ 23,931	↑ \$ 1,391	↑ 5.8%
Restricted	\$ 1,891	\$ 1,471	↑ \$ 420	↑ 28.6%

Institutional Support includes administrative support activities, such as fiscal operations, legal services and human resources. The drivers of the growth in institutional support are adjustments for the state-mandated cost-of-living salary increase and investments in strategic planning and decision support. Even with a slight increase, institutional support will still remain roughly the same percentage of total budget (3.2%), as compared to the FY 2007-08 budget, when institutional support was 7.0% of the total budget, or \$44.9M. In total, Clemson's institutional support budget is \$18.1M lower, or 40.0% less than in FY 2008-09.

 **Student Services** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 27,653	\$ 26,850	↑ \$ 803	↑ 3.0%
Restricted	\$ 870	\$ 822	↑ \$ 48	↑ 5.8%

Student services represent 3.3% of the total projected FY 2012-13 expense budget. Student Services include expenditures contributing to the emotional and physical well-being of Clemson students, including counseling and career guidance and student organizations. Quality student services are a critical element of the University's ability to retain its students. The unrestricted student services budget is projected to increase by 3.0%, or approximately \$803K, as a result of increased investments in student health services and the state-mandated cost-of-living salary increase.

 **Auxiliary Enterprises** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 110,181	\$ 101,882	↑ \$ 8,299	↑ 8.1%
Restricted	-	-	-	↔ 0.0%

The Auxiliary Enterprises expense budget is expected to increase 8.1% in FY 2012-13. This largely reflects growth in expenditures directly tied to contractual obligations in Athletics, CCIT contracts, meal plan contracts and housing and dining facility improvement investments.

 **Operations and Maintenance** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 32,491	\$ 30,195	↑ \$ 2,296	↑ 7.6%
Restricted	\$ 15	-	↑ \$ 15	↔ 0.0%

Projected Operations and Maintenance expenses are only 3.8% of the total expense budget and are anticipated to increase in FY 2012-13 by 7.7%. The University has made a commitment to maintaining a safe environment for faculty, staff, students and visitors. The budget includes increased operating costs for Fire and EMS to hire additional personnel in order to adequately provide services to the increased population at Clemson. The remaining increase is tied directly to additional investments in the 2020 Plan - Build to Compete.

 **Scholarships and Fellowships** ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 15,846	\$15,642	↑ \$ 204	↑ 1.3%
Restricted	\$ 74,484	\$ 71,530	↑ \$2,954	↑ 4.1%

Scholarships and Fellowships, the fourth largest expenditure category, is expected to increase \$3.2M in FY 2012-13, bringing the total to \$90.3M, which is more than the combined budgets for Institutional Support, Student Services and Operations and Maintenance. Funding for Scholarships and Fellowships continues to grow and has more than doubled since FY 1999-00. The growth in scholarships is attributed to projected increases in Palmetto Fellows and Pell Grant recipients.

 **Net Transfers, Noncash Waivers and Projected Fund Balance Expenditures**

Net Transfers, Noncash Waivers and Projected Fund Balance Expenditures are applied in the same manner to the expense budget by program and account. These activities will be discussed in detail in a later section.

Proposed Operating Uses Budget by Account Category

The proposed operating uses by account category for FY 2012-13 are summarized below in **Figure 5, Figure 6 and Graph 5**. The following section presents an alternative view of expenditures. Instead of focusing on program based expenditures, this section will look at a few summary observations from an “account” perspective. In particular this section will highlight Compensation and Benefits. Compensation and benefits account for approximately 48.0% of the University’s total operating resources. The remainder of the operating uses budget is distributed between Other Costs (41.7%), Noncash Waivers (5.2%) and Fund Balance Resources (5.1%). Other costs include basic operating costs such as travel, supplies, equipment, services, utility costs and other nonpersonnel operating items. As noted in the “Expenditure by Program” section, total expenditures are projected to increase by 5.5%.

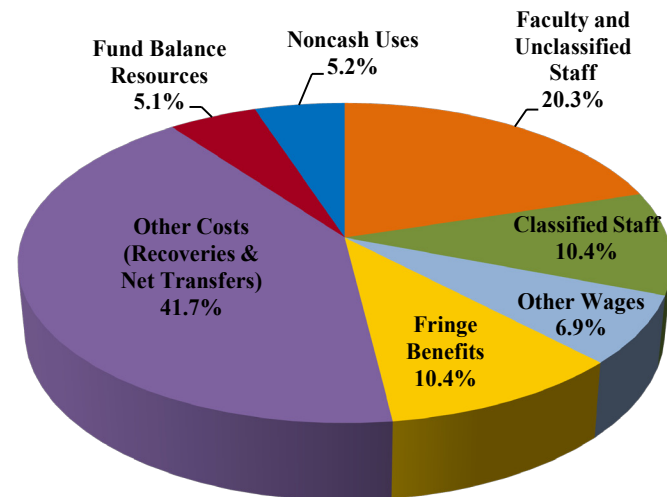
Figure 5. Total University Operating Expense by Account

Account	FY 2012-13 Initial Budget	FY 2011-12 Initial Budget	Percent Change
Compensation and Benefits:			
Faculty and Unclassified Staff	\$ 175,111	\$ 161,509	8.4%
Classified Staff	89,496	86,233	3.8%
Other Wages	59,204	57,917	2.2%
Fringe Benefits	89,813	84,168	6.7%
Total Compensation and Benefits	\$ 413,624	\$ 389,827	6.1%
Other Costs (include Net Transfers and Recoveries)	358,309	346,236	3.5%
Fund Balance Resources	43,505	38,213	13.8%
Total Restricted and Unrestricted Expenses	\$ 815,438	\$ 774,276	5.3%
Noncash Waiver	44,325	41,000	8.1%
Total Operating Uses by Account	\$ 859,763	\$ 815,276	5.5%

Figure 6. Operating Expense Budget by Account Category

Account Category	Unrestricted	Restricted	Total
Compensation and Benefits:			
Faculty and Unclassified Staff	\$ 164,120	\$ 10,991	\$ 175,111
Classified Staff	86,879	2,617	89,496
Other Wages	36,993	22,211	59,204
Fringe Benefits	82,380	7,433	89,813
Total Compensation and Benefits	\$ 370,372	\$ 43,252	\$ 413,624
Other Costs (include Net Transfers and Recoveries)	218,171	140,138	358,309
Fund Balance Resources	43,505	-	43,505
Total Operating Expense Budget (Cash)	\$ 632,048	\$ 183,390	\$ 815,438
Noncash Waivers	44,325	-	44,325
Total Operating Expense Budget	\$ 676,373	\$ 183,390	\$ 859,763

Graph 5. - Distribution of Expenses by Account Category



 Compensation and Benefits ↑

Unrestricted Uses

Account Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Faculty and Unclassified Staff	\$164,120	\$ 151,286	↑ \$ 12,834	↑ 8.5%
Classified Staff	86,879	83,683	↑ 3,196	↑ 3.8%
Other Wages	36,993	34,791	↑ 2,202	↑ 6.3%
Fringe Benefits	82,380	76,554	↑ 5,826	↑ 7.6%
Total Compensation & Benefits	\$ 370,372	\$ 346,314	↑ \$ 24,058	↑ 6.9%

Restricted Uses

Account Category	FY 2012-13 Proposed Budget	FY 2011-2012 Initial Budget	Change Amount	Percent Change
Faculty and Unclassified Staff	\$ 10,991	\$10,223	↑ \$ 768	↑ 7.5%
Classified Staff	2,617	2,550	↑ 67	↑ 2.6%
Other Wages	22,211	23,126	↓ (915)	↓ (4.0)%
Fringe Benefits	7,433	7,614	↓ (181)	↓ (2.4)%
Total Compensation & Benefits	\$ 43,252	\$ 43,513	↓ \$ (261)	↓ (0.6)%

Given the magnitude of the salary expenditures in higher education, this analysis will primarily address important trends and observations related to Compensation and Benefits. Compensation and benefits costs are projected to increase 6.1% or \$23.8M in FY 2012-13. The FY 2012-13 compensation and benefits budget supports the University's 2020 Plan, reflecting investments to attract world-class faculty and retain current outstanding faculty who continuously perform at high levels through education of students, research and scholarship, awards and honors, and generating revenues or cost savings to the University. The budget also calls for critical hires in academic administration crucial to supporting faculty in providing academic excellence to students through student engagement, ensuring success in economic development programs, and in generating revenue and cost savings, which are all goals of the 2020 Plan. This budget includes the impact of a state-mandated cost-of-living salary increase, which effectively creates a mandated and unfunded cost increase of nearly \$6.0M. Additionally, fringe benefit costs are projected to increase due to several factors. The first factor is the state-mandated raise for all employees, and the second is due to state-mandated increases in retirement system contributions to help reduce the approximately \$15.0B unfunded liability in the South Carolina Retirement System.

Other Costs ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 243,662	\$ 233,045	↑ \$ 10,617	↑ 4.6%
Restricted	\$ 126,450	\$ 124,972	↑ \$ 1,478	↑ 1.2%

Other Costs represent approximately 43.0% of total operating uses. This large cost category includes anticipated expenditures ranging from utilities and travel to printer cartridges and paper. Budgets for this large group of operational spending categories are established at a high level in “Other Costs.” However, actual spending is accounted for in detail as expenditures occur throughout the fiscal year.

Representing 28.4% of total operating uses at \$243.7M, unrestricted other costs are anticipated to increase \$10.6M. An increase of 10.1% is anticipated for PSA other costs when compared to FY 2011-12, and a 7.6% increase is expected for Auxiliary other costs. The majority of the increase for PSA is attributed to internal reallocations of cost savings. The increase for Auxiliary Enterprises is a reflection of increased investments by Athletics and Computing and Information Technology.

Restricted other costs are expected to increase slightly to \$126.4M and represent approximately 14.7% of total operating uses. The \$1.5M increase is due to Palmetto Fellows and Pell Grants as previously noted.

Recoveries (Presented on a Revenue Basis) ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ (53,545)	\$ (51,662)	↑ \$ (1,883)	↑ 3.6%
Restricted	-	-	-	↔ 0.0%

Recoveries are revenues generated from sales and services or the allocation of costs to internal customers of the University. Recoveries include revenues generated from the internal sale and distribution of telecommunications, information technology, fuel, facilities services and departmental services. The majority of the \$1.9M increase in unrestricted recoveries is due to the Build to Compete priority of the 2020 Plan.

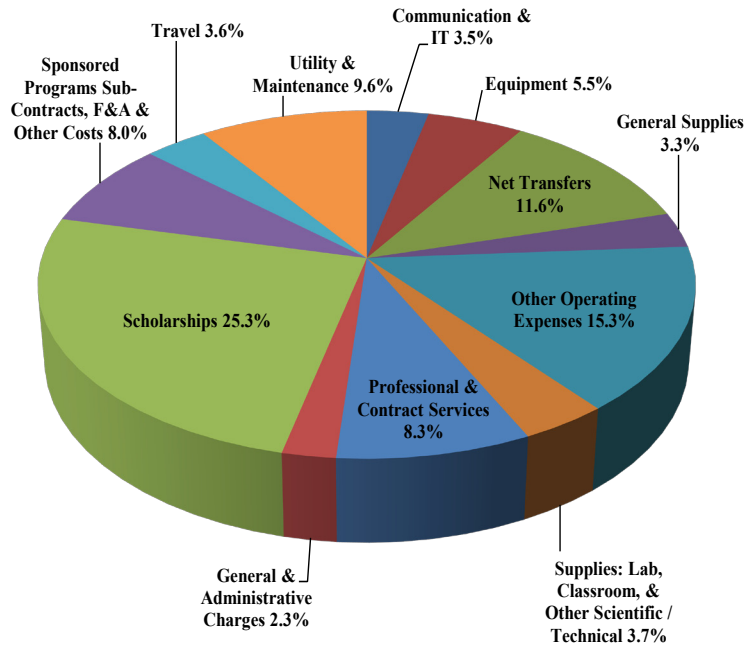
Net Transfers ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 28,054	\$ 25,139	↑ \$ 2,915	↑ 11.6%
Restricted	\$ 13,688	\$ 14,742	↓ \$ (1,054)	↓ (7.1)%

Net Transfers include internal transfers of resources between operating unrestricted and restricted funds and funding for debt service and capital projects. Internal transfers routinely include the funding of student activities and athletic scholarships from IPTAY. Capital projects and debt service are funded by transfers of student fees and auxiliary funds.

In anticipation of improvements to housing, dining, and parking facilities in the 2020 Plan, transfers from these units for capital and strategic planning are increasing by 11.6% totaling \$1.4M. Though restricted net transfers are decreasing by 7.1%, the portion associated with Scholarships and Fellowships continues to grow and has more than doubled since FY 1999-00.

Graph 6. - Projected Noncompensation Expenditures



Estimated Other Costs, Recoveries and Net Transfers sections provide an analysis of the FY 2012-13 budget for University's expenditures as shown in **Graph 6.**

Account	FY 2012-13 Proposed Budget	Percent of Total
Communication & IT	12,598	3.5%
Equipment	19,569	5.5%
General & Administrative Charges	8,222	2.3%
General Supplies	11,778	3.3%
Supplies: Lab, Classroom, & Other Scientific / Technical	13,412	3.7%
Net Transfers	41,742	11.6%
Other Operating Expenses	54,862	15.3%
Professional & Contract Services	29,770	8.3%
Scholarships	90,474	25.3%
Sponsored Programs Sub-Contracts, F&A & Other Costs	28,713	8.0%
Travel	12,855	3.6%
Utilities & Maintenance	34,314	9.6%
Total	\$358,309	100.0%

Noncash Waivers ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 44,325	\$ 41,000	↑ \$ 3,325	↑ 8.1%
Restricted	-	-	-	↔ 0.0%

Noncash Waivers have no impact on cash flow; however, they are an important part of Clemson's financial aid strategy. Waivers are used to attract and retain high quality students. Noncash waivers are expected to increase 8.1% in FY 2012-13 due to the 2020 Plan's call for aggressive recruiting and enrollment of a Top-15 student body.

Fund Balance Resources ↑

Resource Category	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Change Amount	Percent Change
Unrestricted	\$ 43,505	\$ 38,213	↑ \$ 5,292	↑ 13.8%
Restricted	-	-	-	↔ 0.0%

The University projects it will utilize up to \$43.5M of prior years' fund balance resources, primarily for the return of generated funds, contractual start-up commitments for faculty, continuation of undergraduate creative inquiry programs and research incentives for faculty, and other 2020 Plan initiatives. Fund balances are also utilized to make investments in labs, classrooms and other capital investments funded by individual budgetary units. The majority of the increase is due to the Colleges' increased utilization of fund balance resources of \$3.2M, over half of the increase.

Delegation of Authority to the Administration

In approving budgets, the Board of Trustees recognizes that (1) amounts budgeted as income are estimates and subject to change, (2) amounts budgeted for expenditures are a reflection of plans and workload estimates as of the time the budget is prepared, (3) the dynamic environment of a research university results in changes as a normal course of business and thus requiring adjustments in plans, programs, estimates, and budget items. To provide for continuity and essential flexibility in operations, the Board of Trustees reaffirms the delegation of necessary authority to the President to act in all matters and to the Vice President for Finance & Operations to act in fiscal, contractual and other business matters, including specifically, authority to negotiate and make timely changes in contracts, to approve transfers and expenditures of funds permitted in the General Appropriations Act, including those funds commonly referred to as “contribution or gift funds” to be retained at the University, to adjust operating, permanent improvement and other income and expenditure items, and to take such other actions considered necessary in fiscal, contractual or other business matters in response to changing conditions and estimates.

SUMMARY REVENUE AND EXPENSE BY PROGRAM BUDGET

(dollars in thousands)

	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change		FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Operating Resources				Operating Uses			
Unrestricted Revenue:				Unrestricted Expense:			
State Appropriations	\$ 91,904	\$ 87,325	5.2%	Instruction	\$ 190,164	\$ 180,540	5.3%
Federal Appropriations	12,429	11,898	4.5%	Research	68,860	63,594	8.3%
Student Fees	303,194	282,133	7.5%	Public Service	48,234	47,900	0.7%
Facilities and Administrative Cost Recoveries	13,162	13,150	0.1%	Academic Support	41,738	37,163	12.3%
Sales and Services	142,035	133,624	6.3%	Institutional Support	25,322	23,931	5.8%
Other University Generated	25,819	24,706	4.5%	Student Services	27,653	26,850	3.0%
				Auxiliary Enterprises	110,181	101,882	8.1%
Total Unrestricted Revenue	588,543	552,836	6.5%	Scholarships and Fellowships	15,846	15,642	1.3%
Fund Balance Resources	43,505	38,213		Operations and Maintenance	32,491	30,195	7.6%
Total Unrestricted Revenue and Fund Balance Resources	632,048	591,049	6.9%	Net Transfers	28,054	25,139	11.6%
				Current Unrestricted Expense	588,543	552,836	6.5%
Restricted Revenue:				Projected Fund Balance Expenditures	43,505	38,213	
State Higher Education Grants	46,004	45,250	1.7%	Total Unrestricted Expense	632,048	591,049	6.9%
Financial Aid - Grants and Contracts and Other Revenues	41,540	40,859	1.7%	Restricted Expense:			
Grants and Contracts	94,233	95,521	(1.3)%	Instruction	6,120	5,459	12.1%
Other Restricted Revenue	1,613	1,597	1.0%	Research	71,006	72,722	(2.4)%
Total Restricted Revenue	183,390	183,227	0.1%	Public Service	14,966	16,030	(6.6)%
				Academic Support	350	451	(22.4)%
Total Revenue and Fund Balance Resources	815,438	774,276	5.3%	Institutional Support	1,891	1,471	28.6%
				Student Services	870	822	5.8%
Noncash Resources:				Auxiliary Enterprises	-	-	0.0%
Graduate and Undergraduate Waivers	44,325	41,000	8.1%	Scholarships and Fellowships	74,484	71,530	4.1%
Total Noncash Resources	44,325	41,000	8.1%	Operations and Maintenance	15	-	0.0%
				Net Transfers	13,688	14,742	(7.1)%
Total Operating Resources	\$ 859,763	\$ 815,276	5.5%	Total Restricted Expense	183,390	183,227	0.1%
				Total Expense	815,438	774,276	5.3%
				Noncash Uses:			
				Graduate and Undergraduate Waivers	21,625	17,700	22.2%
				Fringe Benefits - Graduate Assistant Differential	22,700	23,300	(2.6)%
				Total Noncash Uses	44,325	41,000	8.1%
				Total Operating Uses	\$ 859,763	\$ 815,276	5.5%

SUMMARY REVENUE AND EXPENSE BY ACCOUNT BUDGET

(dollars in thousands)

	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Operating Resources			
Unrestricted Revenue:			
State Appropriations	\$ 91,904	\$ 87,325	5.2%
Federal Appropriations	12,429	11,898	4.5%
Student Fees	303,194	282,133	7.5%
Facilities and Administrative Cost Recoveries	13,162	13,150	0.1%
Sales and Services	142,035	133,624	6.3%
Other University Generated	25,819	24,706	4.5%
Total Unrestricted Revenue	<u>588,543</u>	<u>552,836</u>	6.5%
Fund Balance Resources	43,505	38,213	
Total Unrestricted Revenue and Fund Balance Resources	<u>632,048</u>	<u>591,049</u>	6.9%
Restricted Revenue:			
State Higher Education Grants	46,004	45,250	1.7%
Financial Aid - Grants and Contracts and Other Revenues	41,540	40,859	1.7%
Grants and Contracts	94,233	95,521	(1.3)%
Other Restricted Revenue	1,613	1,597	1.0%
Total Restricted Revenue	<u>183,390</u>	<u>183,227</u>	0.1%
Total Revenue and Fund Balance Resources	<u>815,438</u>	<u>774,276</u>	5.3%
Noncash Resources:			
Graduate and Undergraduate Waivers	44,325	41,000	8.1%
Total Noncash Resources	<u>44,325</u>	<u>41,000</u>	8.1%
Total Operating Resources	<u>\$ 859,763</u>	<u>\$ 815,276</u>	5.5%

	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Operating Uses			
Unrestricted Expense:			
Compensation and Benefits:			
Faculty and Unclassified Staff	\$ 164,120	\$ 151,286	8.5%
Classified Staff	86,879	83,683	3.8%
Other Wages	36,993	34,791	6.3%
Fringe Benefits	82,380	76,554	7.6%
Total Compensation and Benefits	370,372	346,314	6.9%
Operating Costs	243,662	233,045	4.6%
Net Transfers	28,054	25,139	11.6%
Recoveries	(53,545)	(51,662)	3.6%
Current Unrestricted Expense	<u>588,543</u>	<u>552,836</u>	6.5%
Projected Fund Balance Expenditures	43,505	38,213	
Total Unrestricted Expense	<u>632,048</u>	<u>591,049</u>	6.9%
Restricted Expense:			
Compensation and Benefits:			
Faculty and Unclassified Staff	10,991	10,223	7.5%
Classified Staff	2,617	2,550	2.6%
Other Wages	22,211	23,126	(4.0)%
Fringe Benefits	7,433	7,614	(2.4)%
Total Compensation and Benefits	43,252	43,513	(0.6)%
Operating Costs	126,450	124,972	1.2%
Net Transfers	13,688	14,742	(7.1)%
Recoveries	-	-	0.0%
Total Restricted Expense	<u>183,390</u>	<u>183,227</u>	0.1%
Total Expense	<u>815,438</u>	<u>774,276</u>	5.3%
Noncash Uses:			
Graduate and Undergraduate Waivers	21,625	17,700	22.2%
Fringe Benefits - Graduate Assistant Differential	22,700	23,300	(2.6)%
Total Noncash Uses	<u>44,325</u>	<u>41,000</u>	8.1%
Total Operating Uses	<u>\$ 859,763</u>	<u>\$ 815,276</u>	5.5%

Operating Resources by Source

(dollars in thousands)

	Educational and General			Public Service Activities			Auxiliary Enterprises			Total Unrestricted		
	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change
	Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget	
Unrestricted Revenue:												
State Appropriations	\$ 62,363	\$ 58,900	5.9%	\$ 29,541	\$ 28,425	3.9%	\$ -	\$ -	0.0%	\$ 91,904	\$ 87,325	5.2%
Federal Appropriations	-	-	0.0%	12,429	11,898	4.5%	-	-	0.0%	12,429	11,898	4.5%
Student Fees	297,854	277,378	7.4%	-	-	0.0%	5,340	4,755	12.3%	303,194	282,133	7.5%
Facilities and Administrative												
Cost Recoveries	11,050	11,050	0.0%	2,112	2,100	0.6%	-	-	0.0%	13,162	13,150	0.1%
Sales and Services	11	-	0.0%	16,456	18,918	(13.0)%	125,568	114,706	9.5%	142,035	133,624	6.3%
Other University Generated	22,347	22,003	1.6%	1,426	562	153.7%	2,046	2,141	(4.4)%	25,819	24,706	4.5%
Total Unrestricted Revenue	393,625	369,331	6.6%	61,964	61,903	0.1%	132,954	121,602	9.3%	588,543	552,836	6.5%
Fund Balance Resources	41,726	36,800		1,779	441		-	972		43,505	38,213	
Total Unrestricted Revenue and Fund Balance Resources	435,351	406,131	7.2%	63,743	62,344	2.2%	132,954	122,574	8.5%	632,048	591,049	6.9%
Noncash Resources:												
Graduate and Undergraduate Waivers	44,325	41,000	8.1%	-	-	0.0%	-	-	0.0%	44,325	41,000	8.1%
Total Noncash Resources	44,325	41,000	8.1%	-	-	0.0%	-	-	0.0%	44,325	41,000	8.1%
Total Operating Resources	\$ 479,676	\$ 447,131	7.3%	\$ 63,743	\$ 62,344	2.2%	\$ 132,954	\$ 122,574	8.5%	\$ 676,373	\$ 632,049	7.0%

	Sponsored Program Activities			Scholarships and Student Aid			Other Restricted			Total Restricted		
	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change
	Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget	
Restricted Revenue:												
State Higher Education Grants	\$ -	\$ -	0.0%	\$ 46,004	\$ 45,250	1.7%	\$ -	\$ -	0.0%	\$ 46,004	\$ 45,250	1.7%
Financial Aid - Grants and Contracts and Other Revenue	-	-	0.0%	41,540	40,859	1.7%	-	-	0.0%	41,540	40,859	1.7%
Grants and Contracts	77,224	82,393	(6.3)%	-	-	0.0%	17,009	13,128	29.6%	94,233	95,521	(1.3)%
Other Restricted Revenues	1,011	1,079	(6.3)%	-	-	0.0%	602	518	16.2%	1,613	1,597	1.0%
Total Restricted Revenue	78,235	83,472	(6.3)%	87,544	86,109	1.7%	17,611	13,646	29.1%	183,390	183,227	0.1%
Noncash Resources:												
Graduate and Undergraduate Waivers	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Noncash Resources	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Operating Resources	\$ 78,235	\$ 83,472	(6.3)%	\$ 87,544	\$ 86,109	1.7%	\$ 17,611	\$ 13,646	29.1%	\$ 183,390	\$ 183,227	0.1%

	Total Unrestricted			Total Restricted			Total University		
	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Total Restricted and Unrestricted Revenue:									
Total Revenue Resources	\$ 632,048	\$ 591,049	6.9%	\$ 183,390	\$ 183,227	0.1%	\$ 815,438	\$ 774,276	5.3%
Total Noncash Resources	44,325	41,000	8.1%	-	-	0.0%	44,325	41,000	8.1%
Total Operating Resources by Source	\$ 676,373	\$ 632,049	7.0%	\$ 183,390	\$ 183,227	0.1%	\$ 859,763	\$ 815,276	5.5%

Operating Uses by Program ⁽¹⁾
(dollars in thousands)

	Educational and General			Public Service Activities			Auxiliary Enterprises			Total Unrestricted		
	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Unrestricted Expense:												
Instruction	\$ 188,352	\$ 178,772	5.4%	\$ -	\$ -	0.0%	\$ 1,812	\$ 1,768	2.5%	\$ 190,164	\$ 180,540	5.3%
Research	46,483	41,066	13.2%	22,377	22,528	(0.7)%	-	-	0.0%	68,860	63,594	8.3%
Public Service	8,762	8,163	7.3%	39,472	39,737	(0.7)%	-	-	0.0%	48,234	47,900	0.7%
Academic Support	41,370	36,792	12.4%	368	371	(0.8)%	-	-	0.0%	41,738	37,163	12.3%
Institutional Support	25,322	23,931	5.8%	-	-	0.0%	-	-	0.0%	25,322	23,931	5.8%
Student Services	21,233	20,978	1.2%	-	-	0.0%	6,420	5,872	9.3%	27,653	26,850	3.0%
Auxiliary Enterprises	(179)	(178)	0.6%	-	-	0.0%	110,360	102,060	8.1%	110,181	101,882	8.1%
Scholarships and Fellowships	7,715	7,760	(0.6)%	-	-	0.0%	8,131	7,882	3.2%	15,846	15,642	1.3%
Operations and Maintenance	32,491	30,195	7.6%	-	-	0.0%	-	-	0.0%	32,491	30,195	7.6%
Net Transfers	22,076	21,852	1.0%	(253)	(733)	(65.5)%	6,231	4,020	55.0%	28,054	25,139	11.6%
Current Unrestricted Expense	393,625	369,331	6.6%	61,964	61,903	0.1%	132,954	121,602	9.3%	588,543	552,836	6.5%
Projected Fund Balance Expenditures	41,726	36,800		1,779	441		-	972		43,505	38,213	
Total Unrestricted Expense	435,351	406,131	7.2%	63,743	62,344	2.2%	132,954	122,574	8.5%	632,048	591,049	6.9%
Noncash Uses:												
Graduate and Undergraduate Waivers	21,625	17,700	22.2%	-	-	0.0%	-	-	0.0%	21,625	17,700	22.2%
Fringe Benefits - Graduate Assistant Differential	22,700	23,300	(2.6)%	-	-	0.0%	-	-	0.0%	22,700	23,300	(2.6)%
Total Noncash Uses	44,325	41,000	8.1%	-	-	0.0%	-	-	0.0%	44,325	41,000	8.1%
Total Operating Uses	\$ 479,676	\$ 447,131	7.3%	\$ 63,743	\$ 62,344	2.2%	\$ 132,954	\$ 122,574	8.5%	\$ 676,373	\$ 632,049	7.0%

	Sponsored Program Activities			Scholarships and Student Aid			Other Restricted			Total Restricted		
	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change
	Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget	
Restricted Expense:												
Instruction	\$ 3,405	\$ 3,626	(6.1)%	\$ 4	\$ 15	(73.3)%	\$ 2,711	\$ 1,818	49.1%	\$ 6,120	\$ 5,459	12.1%
Research	62,080	66,114	(6.1)%	-	-	0.0%	8,926	6,608	35.1%	71,006	72,722	(2.4)%
Public Service	13,181	14,037	(6.1)%	-	-	0.0%	1,785	1,993	(10.4)%	14,966	16,030	(6.6)%
Academic Support	-	-	0.0%	1	4	(75.0)%	349	447	(21.9)%	350	451	(22.4)%
Institutional Support	-	-	0.0%	-	-	0.0%	1,891	1,471	28.6%	1,891	1,471	28.6%
Student Services	-	-	0.0%	-	-	0.0%	870	822	5.8%	870	822	5.8%
Auxiliary Enterprises	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Scholarships and Fellowships	-	-	0.0%	73,807	71,519	3.2%	677	11	6054.5%	74,484	71,530	4.1%
Operations and Maintenance	-	-	0.0%	-	-	0.0%	15	-	0.0%	15	-	0.0%
Net Transfers	(431)	(305)	41.3%	13,732	14,571	(5.8)%	387	476	(18.7)%	13,688	14,742	(7.1)%
Total Restricted Expense	78,235	83,472	(6.3)%	87,544	86,109	1.7%	17,611	13,646	29.1%	183,390	183,227	0.1%
Noncash Uses:												
Graduate and Undergraduate Waivers	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Fringe Benefits - Graduate Assistant Differential	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Noncash Uses	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Operating Uses	\$ 78,235	\$ 83,472	(6.3)%	\$ 87,544	\$ 86,109	1.7%	\$ 17,611	\$ 13,646	29.1%	\$ 183,390	\$ 183,227	0.1%
				Total Unrestricted			Total Restricted			Total University		
				FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change
				Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget	
Total Restricted and Unrestricted Expense:												
Total Expense				\$ 632,048	\$ 591,049	6.9%	\$ 183,390	\$ 183,227	0.1%	\$ 815,438	\$ 774,276	5.3%
Total Noncash Uses				44,325	41,000	8.1%	-	-	0.0%	44,325	41,000	8.1%
Total Operating Uses by Program				\$ 676,373	\$ 632,049	7.0%	\$ 183,390	\$ 183,227	0.1%	\$ 859,763	\$ 815,276	5.5%

(1) Program expense includes internal recoveries.

Operating Uses by Account
(dollars in thousands)

	Educational and General			Public Service Activities			Auxiliary Enterprises			Total Unrestricted		
	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change	FY 2012-13 Proposed Budget	FY 2011-12 Initial Budget	Percent Change
Unrestricted Expense:												
Compensation and Benefits:												
Faculty and Unclassified Staff	\$ 127,087	\$ 114,777	10.7%	\$ 17,241	\$ 18,813	(8.4)%	\$ 19,792	\$ 17,696	11.8%	\$ 164,120	\$ 151,286	8.5%
Classified Staff	64,205	61,513	4.4%	10,884	10,812	0.7%	11,790	11,358	3.8%	86,879	83,683	3.8%
Other Wages	25,374	23,808	6.6%	4,996	5,373	(7.0)%	6,623	5,610	18.1%	36,993	34,791	6.3%
Fringe Benefits	61,505	55,280	11.3%	10,408	10,974	(5.2)%	10,467	10,300	1.6%	82,380	76,554	7.6%
Total Compensation and Benefits	278,171	255,378	8.9%	43,529	45,972	(5.3)%	48,672	44,964	8.2%	370,372	346,314	6.9%
Other Costs	144,361	141,150	2.3%	19,354	17,586	10.1%	79,947	74,309	7.6%	243,662	233,045	4.6%
Net Transfers	22,076	21,852	1.0%	(253)	(733)	(65.5)%	6,231	4,020	55.0%	28,054	25,139	11.6%
Recoveries	(50,983)	(49,049)	3.9%	(666)	(922)	(27.8)%	(1,896)	(1,691)	12.1%	(53,545)	(51,662)	3.6%
Current Unrestricted Expense	393,625	369,331	6.6%	61,964	61,903	0.1%	132,954	121,602	9.3%	588,543	552,836	6.5%
Projected Fund Balance Expenditures	41,726	36,800		1,779	441		-	972		43,505	38,213	
Total Unrestricted Expense	435,351	406,131	7.2%	63,743	62,344	2.2%	132,954	122,574	8.5%	632,048	591,049	6.9%
Noncash Uses:												
Graduate and Undergraduate Waivers	21,625	17,700	22.2%	-	-	0.0%	-	-	0.0%	21,625	17,700	22.2%
Fringe Benefits - Graduate Assistant Differential	22,700	23,300	(2.6)%	-	-	0.0%	-	-	0.0%	22,700	23,300	(2.6)%
Total Noncash Uses	44,325	41,000	8.1%	-	-	0.0%	-	-	0.0%	44,325	41,000	8.1%
Total Operating Uses	\$ 479,676	\$ 447,131	7.3%	\$ 63,743	\$ 62,344	2.2%	\$ 132,954	\$ 122,574	8.5%	\$ 676,373	\$ 632,049	7.0%

	Sponsored Program Activities			Scholarships and Student Aid			Other Restricted			Total Restricted		
	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change	FY 2012-13	FY 2011-12	Percent Change
	Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget		Proposed Budget	Initial Budget	
Restricted Expense:												
Compensation and Benefits:												
Faculty and Unclassified Staff	\$ 7,445	\$ 7,839	(5.0)%	\$ 2	\$ 2	0.0%	\$ 3,544	\$ 2,382	48.8%	\$ 10,991	\$ 10,223	7.5%
Classified Staff	1,877	2,023	(7.2)%	-	-	0.0%	740	527	40.4%	2,617	2,550	2.6%
Other Wages	19,363	20,436	(5.3)%	-	-	0.0%	2,848	2,690	5.9%	22,211	23,126	(4.0)%
Fringe Benefits	5,832	6,460	(9.7)%	1	-	0.0%	1,600	1,154	38.6%	7,433	7,614	(2.4)%
Total Compensation and Benefits	34,517	36,758	(6.1)%	3	2	50.0%	8,732	6,753	29.3%	43,252	43,513	(0.6)%
Other Costs	44,149	47,019	(6.1)%	73,809	71,536	3.2%	8,492	6,417	32.3%	126,450	124,972	1.2%
Net Transfers	(431)	(305)	41.3%	13,732	14,571	(5.8)%	387	476	(18.7)%	13,688	14,742	(7.1)%
Recoveries	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Restricted Expense	78,235	83,472	(6.3)%	87,544	86,109	1.7%	17,611	13,646	29.1%	183,390	183,227	0.1%
Noncash Uses:												
Graduate and Undergraduate Waivers	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Fringe Benefits - Graduate Assistant Differential	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Noncash Uses	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%
Total Operating Uses	\$ 78,235	\$ 83,472	(6.3)%	\$ 87,544	\$ 86,109	1.7%	\$ 17,611	\$ 13,646	29.1%	\$ 183,390	\$ 183,227	0.1%
				Total Unrestricted			Total Restricted			Total University		
				FY 2012-13	FY 2011-12		FY 2012-13	FY 2011-12		FY 2012-13	FY 2011-12	
				Proposed Budget	Initial Budget	Percent Change	Proposed Budget	Initial Budget	Percent Change	Proposed Budget	Initial Budget	Percent Change
Total Restricted and Unrestricted Expense:												
Total Operating Expense				\$ 632,048	\$ 591,049	6.9%	\$ 183,390	\$ 183,227	0.1%	\$ 815,438	\$ 774,276	5.3%
Total Noncash Uses				44,325	41,000	8.1%	-	-	0.0%	44,325	41,000	8.1%
Total Operating Uses by Account				676,373	632,049	7.0%	183,390	183,227	0.1%	859,763	815,276	5.5%

Academic Fee Schedule
Undergraduate Student Academic Fee Schedule
Effective Fall 2012

Full-Time Undergraduate Fees per Semester (twelve hours or more):	Resident	Non-Resident
Base Academic Fee	\$ 5,304	\$ 12,838
Tuition	540	1,334
Other Debt Retirement and Plant Fund Transfers	91	226
Matriculation	5	5
Activity Fee	40	40
Software License Fee	12	12
Fike Fee	50	50
Medical Fee	140	140
Career Services Fee	4	4
Transit Fee	33	33
Information Technology Fee	118	118
Total Full-Time Undergraduate Fees per Semester	\$ 6,337	\$ 14,800
Additional Full-Time Undergraduate Fees per Semester:		
Library Fee (30+ credit hours)	\$ 50	\$ 50
Part-Time Undergraduate Fees per Credit Hour (less than twelve hours):		
Base Academic Fee	\$ 477	\$ 1,133
Tuition	45	112
Other Debt Retirement and Plant Fund Transfers	8	19
Activity Fee	4	4
Information Technology Fee	10	10
Total Part-Time Undergraduate Fees per Credit Hour	\$ 544	\$ 1,278
Additional Part-Time Undergraduate Fees per Semester:		
Matriculation	\$ 5	\$ 5
Software License Fee	12	12
Fike Fee (6+ on-campus credit hours)	50	50
Medical Fee (6+ credit hours)	140	140
Library Fee	4	4
Career Services Fee (6+ credit hours, excluding staff)	4	4

Academic Fee Schedule
Undergraduate Student Academic Fee Schedule
 Effective Fall 2012 *(continued)*

Summer Session Fees per Credit Hour:	Resident	Non-Resident
Base Academic Fee	\$ 477	\$ 1,133
Tuition	45	112
Other Debt Retirement and Plant Fund Transfers	8	19
Activity Fee	4	4
Information Technology Fee	10	10
Total Summer Session Fees per Credit Hour	\$ 544	\$ 1,278
Additional Fees per Summer Session:		
Fike Fee <i>(3+ on-campus credit hours, excluding staff)</i>	\$ 15	\$ 15
Maymester/Summer School Fee	5	5
Other Undergraduate Fees (Debt Service and Other Mandatory Fees apply):		
Per Semester:		
Business and Behavioral Science Junior/Senior Differential Tuition	\$ 1,000	\$ 1,000
Per Credit Hour:		
Business and Behavioral Science - Non-Majors Surcharge/Credit Hour 300/400	\$ 100	\$ 100
Cardiovascular Technology Concentration for Health Science Majors	200	200
Electrical and Computer Engineering - Online Courses Academic Fee	598	598
Summer Study Abroad Academic Fee	598	598
Audit Fee	272	639
Per Seat:		
Variable Laboratory Fee Based on Specific Course Labs	\$ 75-200	\$ 75-200
Contract Courses:		
Level 1 - Graduate Tier 1 and 2 Programs	\$ 700-1,000	\$ 750-1,050
Level 2 - Graduate Tier 1 and 2 Programs	550-699	600-749
Level 3 - Graduate Tier 2 and 3 Programs	400-549	450-599
Level 4 - Undergraduate, Graduate Tier 3 and 4 Programs	250-399	300-449
Level 5 - Professional Development, High School Programs	100-249	150-299

Academic Fee Schedule
Graduate Student Academic Fee Schedule
Effective Fall 2012

Full-Time Graduate Fees per Semester (nine hours or more)^{see note 1, 3:}

- Tier 1 Program - Base Academic Fee
- Tier 2 Program - Base Academic Fee
- Tier 3 Program - Base Academic Fee
- Tier 4 Program - Base Academic Fee
- Tier 5 Program - Base Academic Fee

Resident Non-Resident

\$ 3,861	\$ 7,773
3,173	6,395
2,661	5,370
2,293	4,634
1,747	3,585

Additional Full-Time Graduate Fees per Semester:

- Tuition
- Other Debt Retirement and Plant Fund Transfers
- Matriculation
- Activity Fee
- Software License Fee
- Fike Fee
- Medical Fee
- Transit Fee
- Information Technology Fee
- Career Services Fee

\$ 540	\$ 1,334
91	226
5	5
20	20
12	12
50	50
140	140
33	33
118	118
2	2

Total Additional Full-Time Graduate Fees per Semester

\$ 1,011 \$ 1,940

Full-Time Graduate Assistant Fees per Semester^{see note 1:}

- Base Academic Fee
- Tuition
- Other Debt Retirement and Plant Fund Transfers
- Matriculation
- Activity Fee
- Software License Fee
- Fike Fee
- Medical Fee
- Transit Fee
- Career Services Fee (6+ credit hours, excluding staff)

\$ 756	\$ 756
9	9
3	3
5	5
20	20
12	12
50	50
140	140
33	33
2	2

Total Full-Time Graduate Assistant Fees per Semester

\$ 1,030 \$ 1,030

Academic Fee Schedule
Graduate Student Academic Fee Schedule
 Effective Fall 2012 *(continued)*

Part-Time Graduate Fees per Credit Hour (less than nine hours)^{see note 1:}	Resident	Non-Resident
Tier 1 Program - Base Academic Fee	\$ 551	\$ 1,079
Tier 2 Program - Base Academic Fee	476	929
Tier 3 Program - Base Academic Fee	351	679
Tier 4 Program - Base Academic Fee	301	579
Tier 5 Program - Base Academic Fee	251	479
Additional Part-Time Graduate Mandatory Fees per Credit Hour:		
Tuition	\$ 45	\$ 112
Other Debt Retirement and Plant Fund Transfers	8	19
Total Additional Part-Time Graduate Mandatory Fees per Credit Hour	\$ 53	\$ 131
Other Part-Time Graduate Fees:		
Per Credit Hour:		
Information Technology Fee	\$ 10	\$ 10
Per Session:		
Matriculation	5	5
Activity Fee (6+ credit hours)	20	20
Software License Fee	12	12
Fike Fee (6+ on-campus credit hours)	50	50
Medical Fee (6+ credit hours)	140	140
Career Services Fee (6+ credit hours, excluding staff)	2	2

Summer School Graduate Fees per Credit Hour <i>(less than nine hours)</i> ^{see note 1:}

Tier 1 Program - Base Academic Fee
Tier 2 Program - Base Academic Fee
Tier 3 Program - Base Academic Fee
Tier 4 Program - Base Academic Fee
Tier 5 Program - Base Academic Fee

Resident	Non-Resident
----------	--------------

\$ 551	\$ 1,079
476	929
351	679
301	579
251	479

Additional Summer School Graduate Mandatory Fees per Credit Hour:

Tuition
Other Debt Retirement and Plant Fund Transfers

\$ 45	\$ 112
8	19

Total Additional Summer School Graduate Mandatory Fees per Credit Hour

<u>\$ 53</u>	<u>\$ 131</u>
--------------	---------------

Other Summer School Graduate Fees:

Per Credit Hour:

Information Technology Fee

\$ 10	\$ 10
-------	-------

Per Session:

Matriculation
Activity Fee *(6+ credit hours)*
Software License Fee
Fike Fee *(6+ on-campus credit hours)*
Medical Fee *(6+ credit hours)*
Career Services Fee *(6+ credit hours, excluding staff)*

5	5
20	20
12	12
50	50
50	50
2	2

Academic Fee Schedule
Graduate Student Academic Fee Schedule
 Effective Fall 2012 *(continued)*

Online Programs Graduate Fees per Credit Hour^{see note 2}:	Resident	Non-Resident
Tier 1 Program - Base Academic Fee	\$ 951	\$ 951
Tier 2 Program - Base Academic Fee	701	701
Tier 3 Program - Base Academic Fee	551	551
Tier 4 Program - Base Academic Fee	401	401
Tier 5 Program - Base Academic Fee	251	251
Additional Mandatory Graduate Fees per Credit Hour:		
Tuition	\$ 45	\$ 45
Other Debt Retirement and Plant Fund Transfers	8	8
Total Additional Mandatory Graduate Fees per Credit Hour	\$ 53	\$ 53
Other Online Graduate Fees per Session:		
<i>Per Credit Hour:</i>		
Information Technology Fee	\$ 10	\$ 10
<i>Per Session:</i>		
Matriculation	5	5
Software License Fee	12	12
Career Services Fee (6+ credit hours, excluding staff)	2	2

Other Graduate Fees (Debt Service and Other Mandatory Fees apply):

	Resident	Non-Resident
Premier Program Academic Fees per Semester:		
Masters in Historic Preservation	\$ 14,000	\$ 14,000
Masters in Real Estate Development	13,750	13,750
Graduate International Exchange Program Academic Fees per Semester:		
Full-Time Non-Assistantship	\$ 2,747	\$ 2,747
Full-Time Assistantship	756	756
Graduate International Exchange Program Academic Fees per Credit Hour:		
Part-Time Non-Assistantship	\$ 494	\$ 494
Summer Session Non-Assistantship	494	494
Summer Session Graduate Fees:		
Graduate Assistantship Academic Fee per Session	\$ 315	\$ 315
Graduate International Exchange Program Academic Fee per Session (<i>summer assistantship</i>)	315	315
Summer Study Abroad Academic Fee per Credit Hour	494	494
Special Masters in Business Administration (MBA) Programs:		
MBA with a Concentration in Entrepreneurship and Innovation Annual Tuition	\$ 28,500	\$ 28,500
MBA Program in Santiago, Chile - Academic Fee for the 18-month Program	N/A	\$ 31,000
Certificate Programs:		
International Family and Community Studies Professional Certificate Program Academic Fee per Credit Hour		
International Program Sites	N/A	\$ 200
Albania Program	N/A	\$ 300

Academic Fee Schedule
Graduate Student Academic Fee Schedule
 Effective Fall 2012 (*continued*)

Other Graduate Fees (<i>Debt Service and Other Mandatory Fees apply</i>):	Resident	Non-Resident
Contract Courses:		
Level 1 - Graduate Tier 1 and 2 Programs	\$ 700-1,000	\$ 750-1,050
Level 2 - Graduate Tier 1 and 2 Programs	550-699	600-749
Level 3 - Graduate Tier 2 and 3 Programs	400-549	450-599
Level 4 - Undergraduate, Graduate Tier 3 and 4 Programs	250-399	300-449
Level 5 - Professional Development, High School Programs	100-249	150-299
Other Graduate Fees:		
Variable Laboratory Fees Based on Specific Course Labs per Seat	\$ 75-200	\$ 75-200
Audit Fee per Credit Hour	225	445

- NOTE:**
1. The Graduate School has clarified that a full-time graduate student (including a graduate assistant) is classified consistently by enrollment in a minimum of nine credit hours per semester for all University purposes.
 2. Online programs include Human Resource Development, Youth Development & Leadership, Public Administration, Industrial Engineering, non-thesis Biological Sciences, and Parks, Recreation and Tourism Management.
 3. Clemson University is actively participating and soliciting nationally competitive fellowships which include a predetermined tuition and fee support amount. In order to remain competitive, the departments will have the option to apply a waiver to cover the difference between the predetermined tuition and fee support and Clemson's tuition and fee rate.

Comparison of the Operating Budget with Audited Financial Statements

Operating Budget with a Financial Reporting Perspective

The University's operating budget and audited financial statements as reflected in the University's Comprehensive Annual Financial Report (CAFR) serve equally important and distinct purposes. The operating budget reflects the University's 2020 Plan and serves to drive accountability by providing a reference point for measuring actual financial performance. As such, the budget establishes responsible spending levels (required for regulatory and contractual compliance) for operating purposes. Audited financial statements are historical snapshots of the University's overall financial position prepared in accordance with Generally Accepted Accounting Principles, allowing for comparability among public higher education institutions.

A summary supplemental schedule reconciling the Operating Budget and CAFR has been provided to aid in understanding the differences in methodology between the two perspectives. The first column, labeled "FY 2012-13 Initial Budget," displays the proposed operating resources and uses. The second columnar section, titled "CAFR Adjustments," summarizes the key adjustments that must be taken into account in comparing the "Operating Budget" to the "CAFR." Finally in the third columnar section, titled "FY 2012-13 CAFR Perspective," the net results are presented to demonstrate a CAFR perspective of the proposed Budget figures in accordance with Generally Accepted Accounting Principles.

Comprehensive Annual Financial Report (CAFR) Adjustments

Adjustments made to translate the Operating Budget, controlled at unrestricted and restricted fund levels, to a university-wide perspective as prescribed by Generally Accepted Accounting Principles are as follows:

Internal Eliminations

Resources and uses are budgeted and managed by funding types. As a result, budgets must account and authorize spending at an unrestricted and restricted funding level. In many instances, the same funds must be budgeted and "used" or "spent" in more than one funding source. To eliminate a double counting of resources and uses at a university-wide perspective, Generally Accepted Accounting Principles mandates the elimination of activities that may be accounted for in multiple funds. Failure to recognize internal eliminations may result in overestimates or double counting of resources and uses when observing the overall financial position of the University. The examples below provide practical illustrations highlighting the differences between a "Budget" and a "CAFR" perspective.

- **Internal Charges** — When departments provide goods or services to another area of the University, a revenue or expense budget is established to facilitate the budget process for each area. The internally generated revenue and expense are required to be eliminated for financial reporting purposes.
- **Scholarship Allowances** — Scholarships awarded to students are budgeted by restricted sources, gifts and grants. These scholarships are used to pay student fees which are also budgeted as an unrestricted revenue source. Budgeting these resources both in restricted and unrestricted fund sources is required to obtain the necessary "spending authority" to ensure accountability and discipline within each discreet fund source. The practice of budgeting by fund sources requires an elimination adjustment to avoid double counting of revenues.
- **Facility and Administrative Recoveries** — Grants and contracts are budgeted as a restricted source. When grants and contracts incur facilities and administrative charges, a corresponding unrestricted revenue or source is budgeted for the recoveries. The practice of budgeting by the unrestricted and restricted source requires an elimination adjustment to avoid a double counting of revenues for financial reporting purposes.

Capital, Debt and Endowment Activities

As previously noted, operating sources (“revenues”) and uses (“expenditures”) must be budgeted and carefully tracked on an annual basis. Capital and debt activities occurring in the Plant Fund and endowment activities occurring in the Endowment Fund are not budgeted as annual operating items, but are required to be included in the annual financial report per Generally Accepted Accounting Principles. Below are some helpful examples:

- Transfers for Capital and Debt Activity — Tuition and fees and operating sources that are designated for construction projects or restricted for debt service payments are budgeted as an operating source with a transfer to the Plant Fund as an operating use. Transfers from the operating sources are applied as a source in the Plant Fund for construction projects and restricted to meet debt covenant requirements. These transfers are required to be eliminated for financial reporting purposes. Construction projects, when completed, result in a capital asset which is depreciated over the useful life of the asset.
- Equipment — Equipment purchases are budgeted as an use (annual expense) of annual resources in the operating budget. For financial reporting purposes, all equipment is required to be capitalized and depreciated over the multiple-year useful life of the asset. Therefore, equipment “expenditures” that are “expensed” in a single fiscal year from a Budget perspective must be restated and amortized over multiple fiscal years in the CAFR perspective.
- Depreciation — Financial reporting requires capital asset costs (buildings and equipment) to be allocated or expensed (depreciated) over the useful life of the asset.
- Interest Expense — Financial reporting requires interest payments for the long- term debt activity in restricted debt service plant funds to be recorded as interest expense.
- Plant Fund Activities — Funds designated for construction projects may result in activities that are not required to be capitalized. Expenses in the Plant Fund that do not meet the capitalization criteria are not budgeted as an operating use but are classified as an expense for financial reporting purposes.
- Endowment Contributions — Contributions or additions to endowments are required to be classified as revenues for financial reporting purposes. Even though these contributions are classified as revenues, they are not available to spend for operating purposes. They are required to be used as the restricted base for future investment earnings.

Year End Reporting Adjustment

Reporting and State adjustments are adjustments required for financial reporting purposes. Typically, these are activities that occur after accounting records are closed for the fiscal year but are related to the financial reporting period.

- Reporting Adjustments — Adjustments are made after the close of the accounting records but are required for financial reporting purposes. Examples of reporting adjustments include grant subcontracts and construction activities that are billed after the fiscal year end but relate to activities in the reporting period. Some of these additional costs may be offset with a related billing or revenue receivable for the same reporting period.
- State Adjustments — A State reporting adjustment is required to reflect the market change in the value for funds held by the State Treasurer. While this adjustment is required for reporting, it is not available to be budgeted as an operating source.

These adjustments highlight differences in perspectives which are normally and generally accepted in the fiscal management of public colleges and universities.

Operating Budget with a Financial Reporting Perspective
Operating Resources by Source
(dollars in thousands)

	FY 2012-13 Initial Budget	Description	CAFR Adjustments			FY 2012-13 CAFR Perspective
			Internal Eliminations	Capital, Debt and Endowment Activities	Year End Reporting Adjustments	
Unrestricted Revenue:						
State Appropriation	\$ 91,904		\$ -	\$ -	\$ -	\$ 91,904
Federal Appropriation	12,429		-	-	-	12,429
Student Fees	303,194	Scholarship Allowances Internal Charges	(66,200) (2,500)	- -	- -	234,494 -
Facilities and Administrative Cost Recoveries	13,162	Facilities and Administrative Recoveries	(13,162)	-	-	-
Sales and Services	142,035	Internal Charges Reporting Adjustments Scholarship Allowances	(4,413) - (11,729)	- - -	- 2,000 -	127,893 - -
Other University Generated	25,819		-	-	-	25,819
Total Unrestricted Revenue	588,543		(98,004)	-	2,000	492,539
Fund Balance Resources	43,505		-	-	-	43,505
Total Unrestricted Revenue and Fund Balance Resources	632,048		(98,004)	-	2,000	536,044
Restricted Revenue:						
Financial Aid - State Higher Education Grant	46,004		-	-	-	46,004
Financial Aid - Grants & Contracts, Other Revenues	41,540		-	-	-	41,540
Grants and Contracts	94,233	Reporting Adjustments	-	-	1,000	95,233
Other Restricted Revenue	1,613	Capital Additions Reporting Adjustments	- -	28,000 -	- 5,000	34,613 -
Total Restricted Revenue	183,390		-	28,000	6,000	217,390
Noncash Resources:						
Graduate and Undergraduate Waivers	44,325	Scholarship Allowances	(21,625)	-	-	22,700
Total Noncash Resources	44,325		(21,625)	-	-	22,700
Total Operating Resources	\$ 859,763		\$ (119,629)	\$ 28,000	\$ 8,000	\$ 776,134

Operating Budget with a Financial Reporting Perspective

Operating Uses by Program

(dollars in thousands)

	FY 2012-13 Initial Budget	Description	CAFR Adjustments			FY 2012-13 CAFR Perspective
			Internal Eliminations	Capital, Debt and Endowment Activities	Year End Reporting Adjustments	
Current Expense:						
Instruction	\$ 196,284	Facilities and Administrative Recoveries Reporting Adjustments	\$ (138) -	\$ - -	\$ - -	\$ 196,146 -
Research	139,866	Noncapital Repairs and Renovations Facilities and Administrative Recoveries Reporting Adjustments	- (11,810) -	- - (2,500)	- - 1,000	126,556 - -
Public Service	63,200	Facilities and Administrative Recoveries	(1,214)	-	-	61,986
Academic Support	42,088		-	-	-	42,088
Institutional Support	27,213		-	-	-	27,213
Student Services	28,523		-	-	-	28,523
Auxiliary Enterprises	110,181	Reporting Adjustments Scholarship Allowances	- (11,729)	(4,413) -	- -	94,039 -
Scholarships and Fellowships	90,330	Scholarship Allowances	(66,200)	-	-	24,130
Operations and Maintenance	32,506	Noncapital Repairs and Renovations Reporting Adjustments	- -	50,000 -	- 5,000	87,506 -
Net Transfers	41,742	Transfers for Capital and Debt	-	(41,742)	-	-
Depreciation	-	Depreciation	-	42,328	-	42,328
Interest Expense	-	Interest Expense	-	6,575	-	6,575
Current Expense	771,933		(91,091)	50,248	6,000	737,090
Fund Balance Resources	43,505		-	-	-	43,505
Total Current Expense	815,438		(91,091)	50,248	6,000	780,595
Noncash Uses:						
Graduate and Undergraduate Waivers	21,625		(21,625)	-	-	-
Fringe Benefits - Graduate Assistant Differential	22,700		-	-	-	22,700
Total Noncash Uses	44,325		(21,625)	-	-	22,700
Total Operating Uses	\$ 859,763		\$ (112,716)	\$ 50,248	\$ 6,000	\$ 803,295

Operating Budget with a Financial Reporting Perspective

Operating Uses by Account

(dollars in thousands)

	FY 2012-13 Initial Budget	Description	CAFR Adjustments			FY 2012-13 CAFR Perspective
			Internal Eliminations	Capital, Debt and Endowment Activities	Year End Reporting Adjustments	
Current Expense:						
Compensation and Benefits						
Faculty and Unclassified Staff	\$ 175,111	Noncapital Repairs and Renovations	\$ -	\$ (88)	\$ -	\$ 175,023
Classified Staff	89,496	Noncapital Repairs and Renovations	-	(397)	-	89,099
Other	59,204	Noncapital Repairs and Renovations	-	(132)	-	59,072
Fringe Benefits	89,813	Noncapital Repairs and Renovations	-	(2,677)	-	87,136
Total Compensation and Benefits	413,624		-	(3,294)	-	410,330
	370,112	Noncapital Repairs and Renovations	-	53,294	-	380,305
		Scholarship Allowances	(77,929)	-	-	-
Other Costs		Depreciation	-	42,328	-	-
		Interest Expense	-	6,575	-	-
		Reporting Adjustments	-	(6,913)	6,000	-
		Facilities and Administrative Recoveries	(13,162)	-	-	-
Net Transfers	41,742	Transfers for Capital and Debt	-	(41,742)	-	-
Recoveries	(53,545)		-	-	-	(53,545)
Current Expense	771,933		(91,091)	50,248	6,000	737,090
Projected Fund Balance Expenditures	43,505		-	-	-	43,505
Total Current Expense	815,438		(91,091)	50,248	6,000	780,595
Noncash Uses:						
Graduate and Undergraduate Waivers	21,625		(21,625)	-	-	-
Fringe Benefits - Graduate Assistant Differential	22,700		-	-	-	22,700
Total Noncash Uses	44,325		(21,625)	-	-	22,700
Total Operating Uses	\$ 859,763		\$ (112,716)	\$ 50,248	\$ 6,000	\$ 803,295

Definition of Terms

Academic Support — Program expenses for libraries, computing support and academic administration.

Account — Classification of expense by type (i.e., travel, classified salary, equipment, etc.).

Auxiliary Enterprises — An Auxiliary Enterprise furnishes goods or services to students, faculty and staff, other institutional departments and incidentally to the general public for a fee related to the cost of the service. Auxiliary enterprises are expected to be self-supporting, with revenues supporting the operating and capital needs of the enterprise. Examples include residence halls, dining, athletics and bookstores. Program expenses related to auxiliary enterprise activities are defined as auxiliary enterprises expenses.

Capital Activity — Plant fund activity for construction and equipment expenditures.

Capital, Debt and Endowment Activities — Activities not included in the University operating budget. Plant fund activities include construction, equipment and debt expenditures. Endowment fund activities include gifts and grants and contracts restricted for endowments.

Capital Projects — Approved projects that build, improve or significantly extend the life of capital assets such as buildings, infrastructure, major renovations or land acquisition.

Comprehensive Annual Financial Report (CAFR) — The annual University financial report prepared under Generally Accepted Accounting Principles with an independent audit report.

Clemson University Foundation (CUF) — A related organization chartered to support the University's private fundraising efforts.

Current Funds — Resources of the institution expendable for the operating purposes of the University.

Debt Service — Principal and interest payments on debt.

Depreciation — Allocation of the costs of capital assets, buildings and equipment across the useful life of the assets.

Educational and General (E&G) — Educational and General are the operations related to the educational mission of the University including instruction, research, public service, academic support, student services, institutional support and operation and maintenance of the physical plant. Educational and General revenues consist primarily of state general fund appropriations and tuition and fees generated by the University.

Facilities and Administrative Costs Recoveries (F&A) — Payments associated with sponsored programs activities for institutional overhead costs. Program sponsors typically are required to pay a predetermined facilities and administrative rate approved by the federal government.

Federal Appropriations — Appropriations received from the Federal Government used primarily by Agricultural Experiment Stations and Cooperative Extension Service.

Fringe Benefits — The employer contribution for benefits offered to employees such as medical, dental, disability and life insurance, social security tax, retirement and unemployment contribution. The graduate assistant differential is also budgeted as fringe benefits.

Definition of Terms (continued)

Fund Balances — Fund Balance is the result of an annual accumulation of revenues offset by expenses within a fund. Fund balances may be designated for the continuation of programs, strategic initiatives and to meet capital requirements in future years. Fund balances are budgeted as a source, Fund Balance Resources. Fund balance resources are budgeted as a use, Projected Fund Balance Expenditures.

GAAP (Generally Accepted Accounting Principles) — Financial reporting and accounting standards required by Governmental Accounting Standards Board for all public higher education institutions.

Grants and Contracts — Activity related to external or internal sponsored activities associated with a specific project, program or strategic initiative.

Institutional Support — Program expenses for institutional and executive-level activities that manage and provide long-range planning of the University. Examples include the governing board, executive management, planning and programming operations, legal services, fiscal operations, fundraising, space management, human resources, procurement and other support services for faculty and staff not operated as an auxiliary enterprise.

Instruction — Program expenses for the teaching faculty, support staff, instructional equipment and operating costs directly related to instruction. Departmental research which is not separately budgeted is also included in this category.

Internal Eliminations — Financial reporting adjustments to remove corresponding revenue and expenses managed as multiple funds for accounting and budget purposes.

Mandatory Transfers — Legally required transfer of funds, generally related to debt covenants requiring the payment of principal and interest on bonds and other indebtedness.

Net Assets — The balance of assets offset by liabilities. In public higher education, net assets may be classified as unrestricted net assets, restricted net assets or invested in capital assets, net of related debt.

Noncash Resources and Uses — Budgeted resources and uses that have no cash flow impact to the University. External accounting requires tracking of noncash items such as waivers and graduate assistant differentials.

Nonmandatory Transfers — Discretionary transfer between funds and programs.

Operating Budget — Provides for an annual plan of operating sources and uses. It is also used as an authorization for spending.

Operation and Maintenance of Plant — Program expenses for buildings and grounds maintenance, safety and security, utilities and general services.

Program — Major classification of functions within the University regardless of organizational placement (i.e., Instruction, Research, etc.).

Public Service — Program expenses associated with noninstructional services beneficial to individuals and groups external to the institution.

Public Service Activities (PSA) — State and federally funded activities for the Clemson Cooperative Extension Service, Agricultural Research, Regulatory Services and Livestock and Poultry Health.

Recoveries — Revenues generated for sales and services of activities from within the University. External financial reporting requires internally generated revenue be offset from the related expense.

Definition of Terms *(continued)*

Related Organizations — Separately chartered legal entities whose activities primarily provide financial assistance and other support to the University and its educational programs.

Research — Program expenses for research sponsored by parties outside the University as well as separately budgeted University funded research.

Restricted Funds — Current operating funds received primarily from gifts and grants and contracts that are restricted by donors or other outside parties.

Sales and Services — Revenues from auxiliary or other revenue generating activities of the university.

Scholarships and Fellowships — Program expenses for undergraduate and graduate student assistance primarily funded from gifts, endowment income, and federal and state sources.

State Appropriations — Legislative appropriations from the State of South Carolina for the operation of the University.

State Higher Education Grants — Grants received for state scholarship programs such as Palmetto Fellows and LIFE Scholarships or pass-through appropriations from other state agencies.

Student Fees — Revenues collected from students for registration in educational programs.

Student Services — Program expenses contributing to the students' emotional and physical well-being as well as intellectual, cultural and social development outside the context of the formal classroom. The Admissions Office, the Registrar, expenses for student organizations, counseling and career guidance, and student financial aid administration are some examples of student service areas.

University Generated Revenue — Revenue from sales and services to external parties.

Unrestricted Funds — Current funds derived from state appropriations, student fees, institutional revenue and auxiliary operations.

Waivers — An accounting term that establishes the value of institutional student aid as the difference between the established student fee and the amount paid by the student.