

University of Arkansas at Little Rock

Annual Process for Projecting Revenues for all Fund Groups

This internal document outlays the general process for projecting revenues for all fund groups. Each unit responsible for making these projections will be required to supply the Budget Office with their supporting documentation on how these budgeted amounts were calculated and the Budget Office will be responsible for retaining this documentation.

GENERAL FUNDS

The primary sources of funding for the general operating fund are Student Tuition & Fees and State Appropriations which collectively make up about ninety-seven percent of the revenues in the fund group. The process of projecting future amounts for budgetary purposes is discussed below.

Student Tuition & Fee Revenue should be calculated by using final budgeted amounts for the current fiscal year, adjusting these totals based on the enrollment data found in the five-year enrollment projection report generated by the Office of Institutional Research, and then adjusting for recommended changes to Board approved tuition and fee amounts. These new projected tuition and fee amounts should then be presented to the Cabinet for review and approval.

State Appropriations for the upcoming year are traditionally communicated to campuses from the Arkansas Department of Higher Education in time for use in budget development. If projecting for years beyond the upcoming fiscal year, the Office of Institutional Research can use its enrollment projection report supplemented with additional data to reasonably project future state appropriations.

Other Revenues of the general operating fund should be projected by reviewing the Five Year Revenue and Expense Trend Analysis and Budget to Actual comparison for the prior year as provided by the Budget Office, then adjustments should be made for any known factors that would affect the historical trend.

AUXILIARY FUNDS

- **Donaghey Student Center** revenues should be projected by reviewing the Five Year Revenue and Expense and Budget to Actual comparison for the prior year as provided by the Budget Office, then adjusted for any known factors that would affect the historical trend.
- **Campus Living** revenues should be based on the approved housing rates for the current fiscal year and the enrollment data found in the five-year enrollment projection report generated by the Office of Institutional Research and projected occupancy rates.
- **Athletic Fee** revenue should be calculated by using approved fee rates for the current fiscal year, adjusting these totals based on the enrollment data found in the five-year enrollment projection report generated by the Office of Institutional Research, and then adjusting for recommended changes to Board approved tuition and fee amounts. These new calculations should then be presented to the Cabinet for review and approval.
- **NCAA and Sun Belt Conference Distributions** are based on past several years' actuals in coordination with any direction of change given by these groups.
- **Sponsorship Revenues** are based on agreements negotiated with Pepsi and IMG/Learfield,
- **Game Guarantee Revenues** are based on the Athletic Director's direction to each sport's head coach regarding how many games they are required to play and amounts they must receive in total,
- **Ticket Sales Revenues** are based on the most recent year's actuals with guidance from the Athletic Director and Sales staff for projected changes based on changes in team performance and/or marketing campaigns,
- **Entry Fee Revenues** are based on past years' actuals combined with information regarding changes to the number of tournaments hosted or the number of teams that will be entered in upcoming tournaments,
- **UA Foundation Transfers** are based on funds donated for a specific purpose to a sport or administrative area; they are also based on donations needed to fund a specific sport or balance the overall budget. Funds must be already available or pledged at the UA Foundation or complete confidence the funds will be available based on past experience. These revenues and the related expenditures will be budgeted in the Restricted Funds.

RESTRICTED FUNDS

In most cases, restricted revenues are directly correlated to grant and contract expenditures, many of which are unknown when developing the new budget. Because of this, known grant revenue and expenses will be budgeted in their specific funds and a “balancing fund” will be used to budget for revenue and expenditures that are unknown but expected based on historical trends. The Office of Research and Sponsored Programs (ORSP) will work with program directors / principal investigators to allocate their best estimate of annual expense on all multi-year grants. Source documents for all revenue other than that for the balance fund will be directly from grant and contract awards. This is one area where source documentation will be retained in ORSP and not the budget office.

PLANT FUNDS

Plant Funds do not have a recurring source of revenues other than those generated and projected from tuition and fees which are then transferred in.

OTHER FUNDS

Revenue projection for all other funds will be based on historical trends shown on the Five Year Revenue and Expense analysis and the Budget to Actual Comparison for the prior fiscal year. Occasionally, the university will budget start-up funds for new faculty research projects, but these amounts would be shown as incoming transfers and not as traditional revenues.