

## **RESOLUTION F12-21**

### **APPROVAL OF SHAWNEE STATE UNIVERSITY'S FY2022 OPERATING BUDGET (GENERAL AND AUXILIARY FUNDS)**

WHEREAS, the proposed FY2022 operating budget (general and auxiliary funds) was developed with the goals of returning operations to normalcy and allocating resources to regain pre-pandemic momentum for growth and expansion; and

WHEREAS, the projected revenues include increased state funding allocations that are incorporated in the statewide budget bill, a decline in tuition and student fees due to expected continuing student decline resulting from the impact of the pandemic, and moderate growth in income from residential housing, meal plans, commissions, rental fees, events, and other auxiliary income based on the assumption that the lifting of restrictions for Covid-19 will be maintained throughout the academic year; and

WHEREAS, projected expenditures are increased due to the reinstatement of furloughed and reduced salaries realized during FY2021, increased expenses to fully return the institution to pre-pandemic operations, adjustments to absorb contractual obligations that were partially reimbursed by grant funds in FY2021, and increased investment to achieve the growth and expansion initiatives aligned with the University's Five-Year Strategic Plan; and

WHEREAS, a favorable net operating outcome is fully expected due to grant-funded adjustments for direct expense reimbursements and revenue replacement anticipated for such items as: the University's continued response to health, safety and security required to mitigate Covid-19 and possible variants, lost revenue from the projected AY2021-22 enrollment decline, and the additional support anticipated for students in the forms of financial grants and lost revenue resulting from the potential discharging of some portion of student debt, as permitted under the Cares Act and the American Rescue Act (HEERF III); and

WHEREAS, due to the auditing process needed to verify that the use of HEERF as planned is permissible, the President has determined that it is prudent and transparent to present a draft FY2022 operating budget without these adjustments along with a draft version that capture broad categories of grant funds; and

WHEREAS, the unadjusted Net Operating performance for FY2022 reflects a \$2.17 million potential use of reserves;

THEREFORE, BE IT RESOLVED, the Shawnee State University Board of Trustees approves the FY2022 operating budget as presented, effective July 1, 2021.

(June 25, 2021)