

## **AGENDA**

Tuition Development Work Group

Council on Postsecondary Education

Wednesday, March 8, 2017

10:00 AM

Conference Room A

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1. Opening Remarks
2. Policy Relevant Data
  - a. Work Group Requests 2
    - 1) Out-of-Pocket Costs
    - 2) Total Public Funds
    - 3) Mandated KERS Increases
    - 4) Revenues, Expenses, and Changes in Net Position 16
  - b. Campus Submissions
    - 1) Budgeted Fixed Cost Increases
    - 2) Gross Tuition Revenue Estimates
    - 3) Combined Budgetary Challenges
3. Decision Points
  - a. Comprehensive Sector Ceiling Differentiation 27
  - b. KERS Increase Allowance 28
  - c. Tuition Parameters
4. Next Steps

--AMENDED--

Additional Agenda item added 3/8/17 @ 9:00am

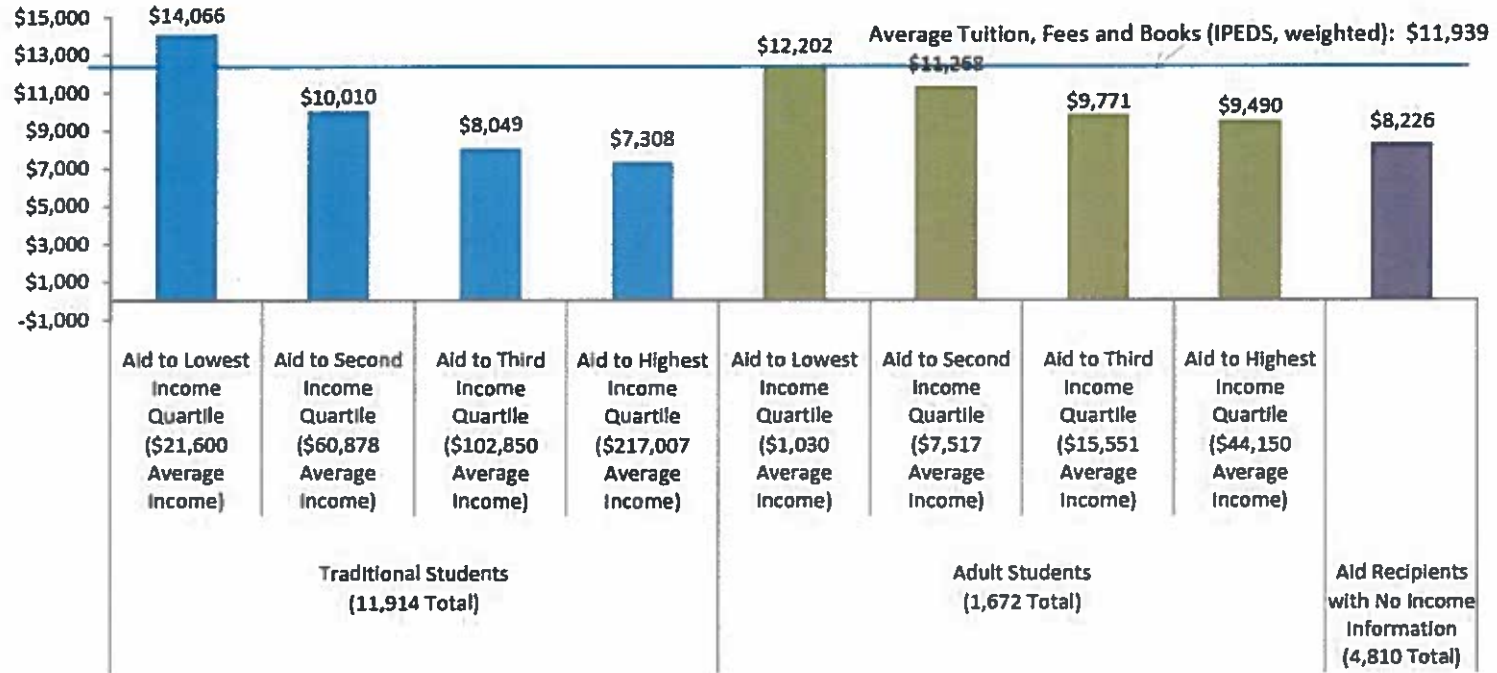
## Out-of-Pocket Costs

# UK and UofL: Need and Merit-Based Aid by Student Type and Family Income

Full-Time, In-State, Undergraduates at Kentucky's Public Research Universities who Received Grants or Scholarships in 2015-16

## Highlights

- \* Grants and scholarships covered the full cost of tuition, fees and books for most students in the lowest income categories.
- \* Even students in the highest income categories received significant support through KEES and institutional aid.
- \* Seventy-four percent of full-time, in-state undergraduate students at research universities received grants in 2015-16 (fall 2015 enrollment).
- \* Grants in excess of tuition were used to pay for room and board, which averaged an additional \$10,044 (IPEDS, weighted).



### Unmet Tuition, Fee and Book Costs

-\$2,127    \$1,929    \$3,890    \$4,631    -\$263    \$671    \$2,168    \$2,449    \$3,713

Notes: Aid includes all need and merit-based grants and scholarships from federal, state, institutional and other sources. Income quartiles rank all students in the sector within their dependency category by family income, and divide them into four equal-sized groups based on their income rank. Traditional students were under 25 years old and were claimed as dependents on their parents' taxes, while adult students filed taxes independently. Students without income information did not file the federal financial aid application, but are still eligible for KEES, institutional, and other grants.

Source: Kentucky Council on Postsecondary Education Comprehensive Database, IPEDS

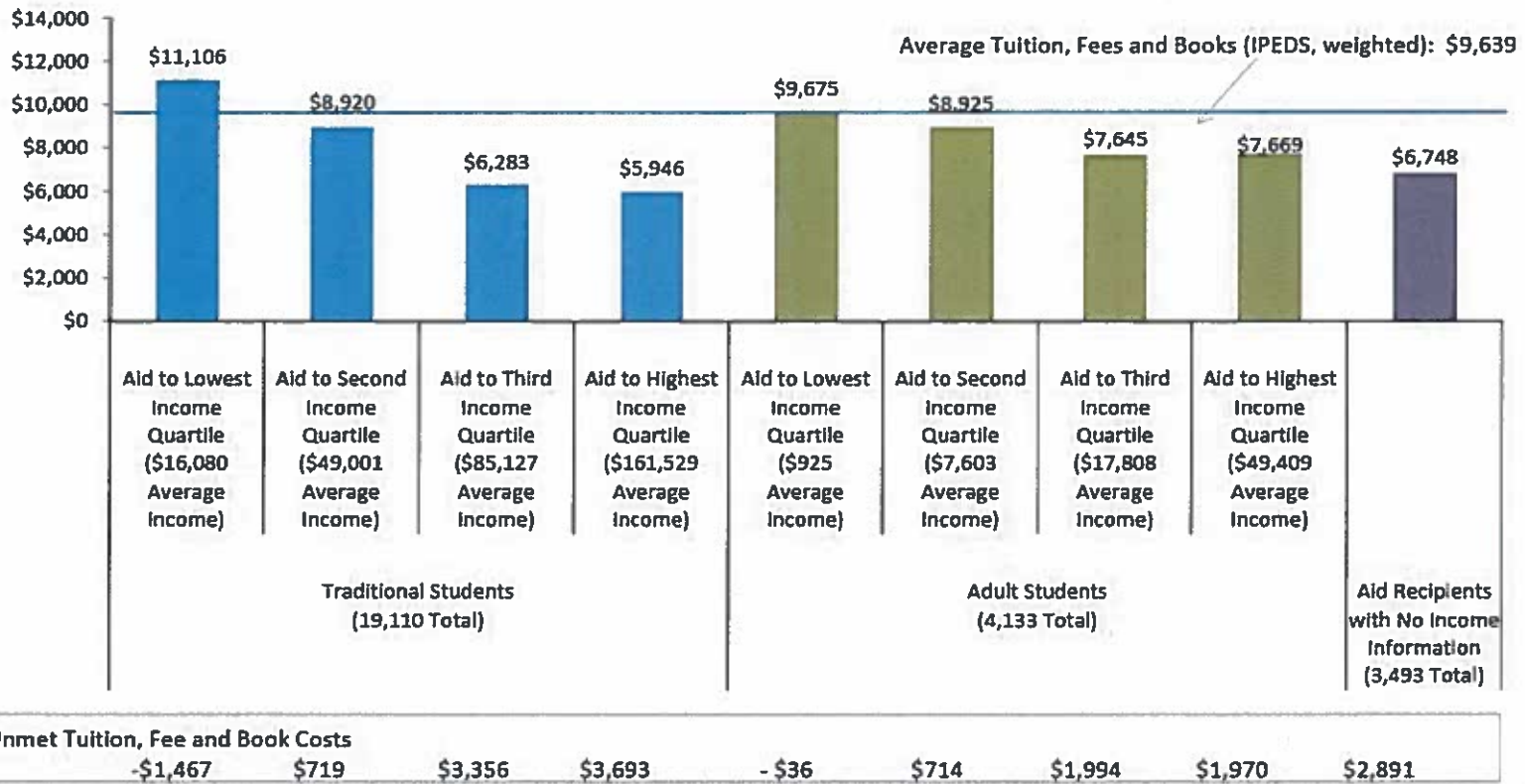


# Comprehensive Universities: Need and Merit-Based Aid by Student Type and Family Income

Full-Time, In-State, Undergraduates at Kentucky's Public Comprehensive Universities who Received Grants or Scholarships in 2015-16

## Highlights

- Grants and scholarships covered the full cost of tuition, fees and books for most students in the lowest income categories.
- Even students in the highest income categories received significant support through KEES and institutional aid.
- Seventy-three percent of full-time, in-state undergraduate students at comprehensive universities received grants in 2015-16 (fall 2015 enrollment).
- Grants in excess of tuition were used to pay for room and board, which averaged an additional \$8,162 (IPEDS, weighted).



Notes: Aid includes all need and merit-based grants and scholarships from federal, state, institutional and other sources. Income quartiles rank all students in the sector within their dependency category by family income, and divides them into four equal-sized groups based on their income rank. Traditional students were under 25 years old and were claimed as dependents on their parents' taxes, while adult students filed taxes independently. Students without income information did not file the federal financial aid application, but are still eligible for KEES, institutional, and other grants.

Source: Kentucky Council on Postsecondary Education Comprehensive Database, IPEDS

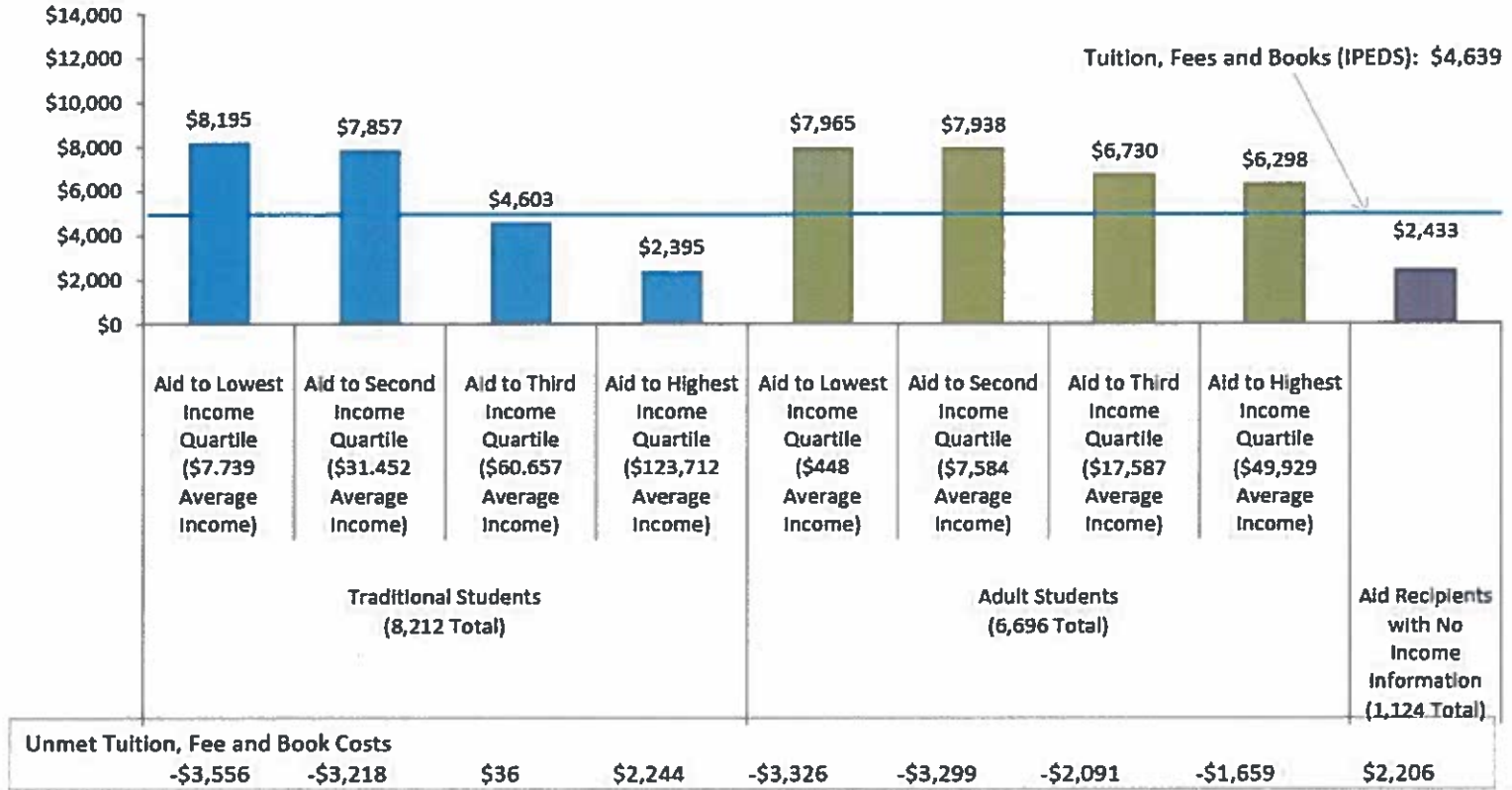


# KCTCS: Need and Merit-Based Aid by Student Type and Family Income

Full-Time, In-State, Students in the Kentucky Community and Technical College System who Received Grants or Scholarships in 2015-16

## Highlights

- \* Grants and scholarships covered the full cost of tuition, fees and books for most students in the lowest income categories.
- \* Even students in the highest income categories received significant support through KEES and institutional aid.
- \* Fifty-three percent of full-time undergraduate students at KCTCS received grants in 2015-16 (fall 2015 enrollment).
- \* Grants in excess of tuition were used to pay for off-campus rent, utilities and food, which KCTCS estimated at an additional \$6,975 (IPEDS).



Notes: Aid includes all need and merit-based grants and scholarships from federal, state, institutional and other sources. Income quartiles rank all students in the sector within their dependency category by family income, and divides them into four equal-sized groups based on their income rank. Traditional students were under 25 years old and were claimed as dependents on their parents' taxes, while adult students filed taxes independently. Students without income information did not file the federal financial aid application, but are still eligible for KEES, Institutional, and other grants.

Source: Kentucky Council on Postsecondary Education Comprehensive Database, IPEDS



## Total Public Funds

Kentucky Public Postsecondary Institution  
 Total Public Funds Revenue  
 Fiscal Years 2007-08 and 2015-16

Nominal Dollars

<u>Institution</u>	<u>2007-08 Public Funds Revenue <sup>(a)</sup></u>	<u>2015-16 Public Funds Revenue</u>	<u>Dollar Change</u>	<u>Percent Change</u>
University of Kentucky	\$573,919,000	\$737,504,100	\$163,585,100	28.5%
University of Louisville	355,198,200	439,769,978	84,571,778	23.8%
Eastern Kentucky University	178,916,900	224,991,197	46,074,297	25.8%
Kentucky State University	43,945,600	37,934,297	(6,011,303)	-13.7%
Morehead State University	95,518,800	115,960,900	20,442,100	21.4%
Murray State University	130,344,200	164,576,800	34,232,600	26.3%
Northern Kentucky University	152,189,500	189,442,300	37,252,800	24.5%
Western Kentucky University	209,052,000	274,397,500	65,345,500	31.3%
KCTCS	397,175,000	418,170,600	20,995,600	5.3%
<b>System Totals</b>	<b>\$2,136,259,200</b>	<b>\$2,602,747,672</b>	<b>\$466,488,472</b>	<b>21.8%</b>

<sup>(a)</sup> Includes enacted 2007-08 net General Fund appropriations, before the mid-year Budget Reduction Order.

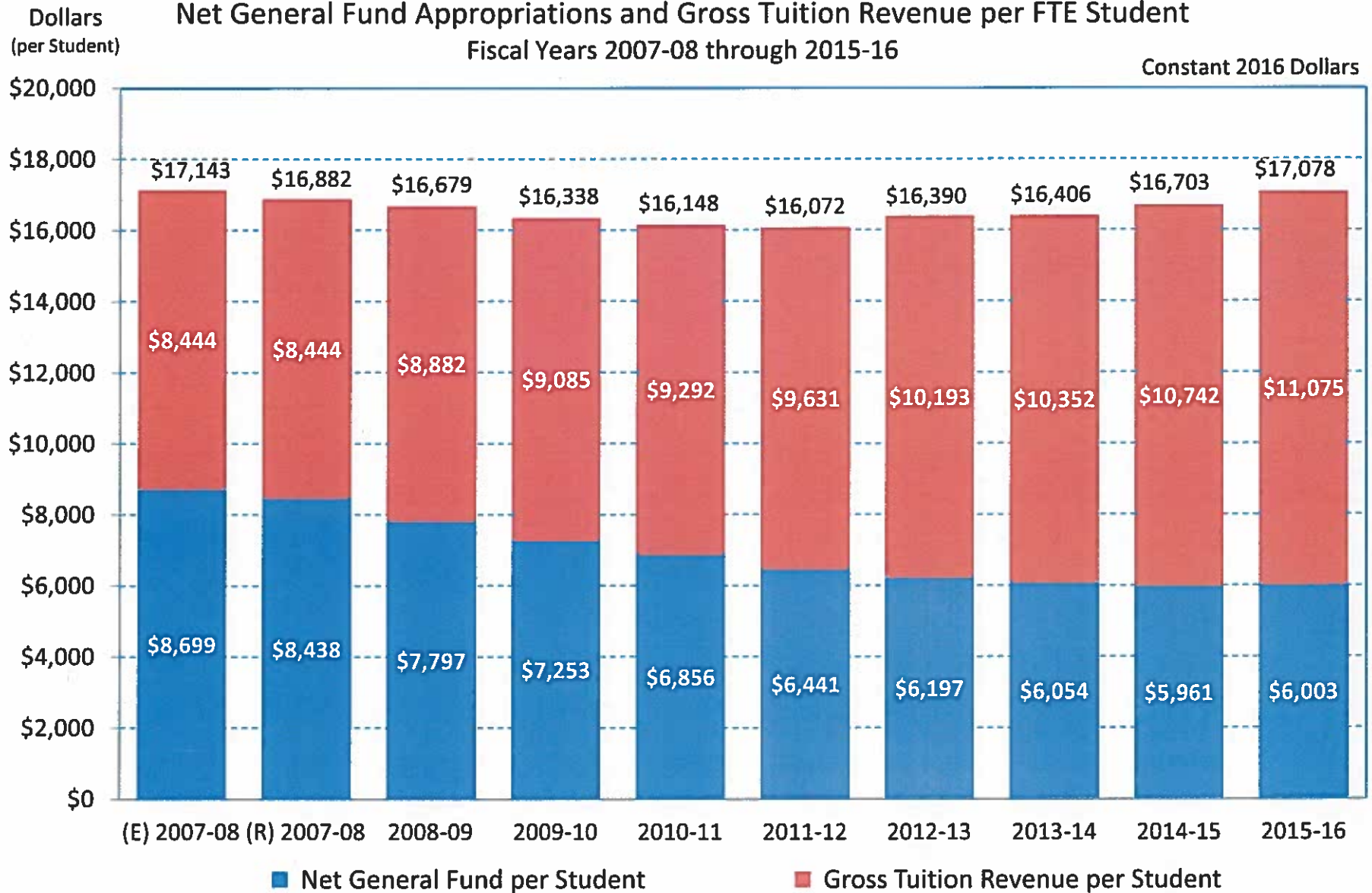
Source: Council on Postsecondary Education, Comprehensive Database.

## Kentucky Public Postsecondary System

### Net General Fund Appropriations and Gross Tuition Revenue per FTE Student

Fiscal Years 2007-08 through 2015-16

Constant 2016 Dollars



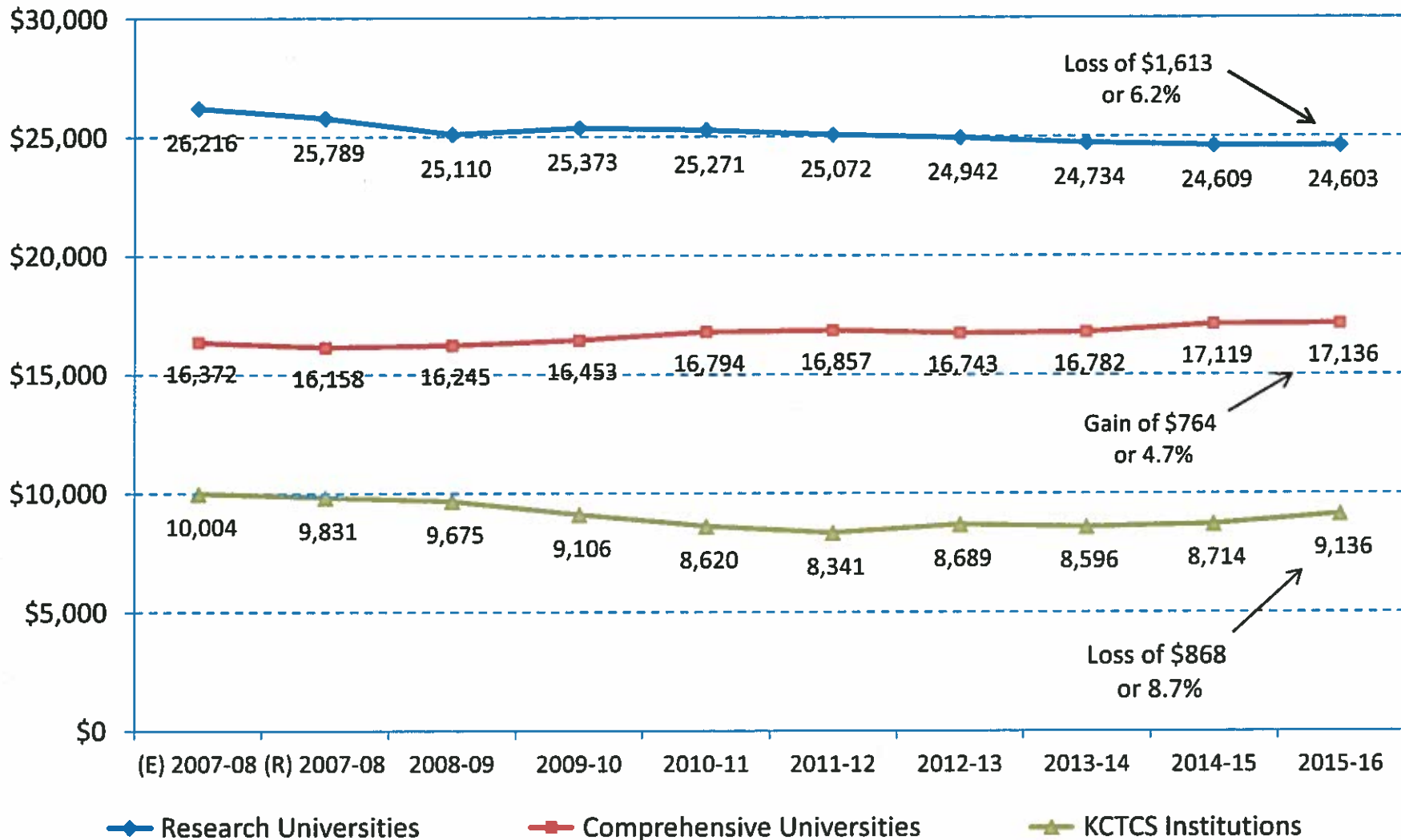
Sources: Kentucky Budget of the Commonwealth; CPE Comprehensive Database.

(E) = Enacted; (R) = Revised.



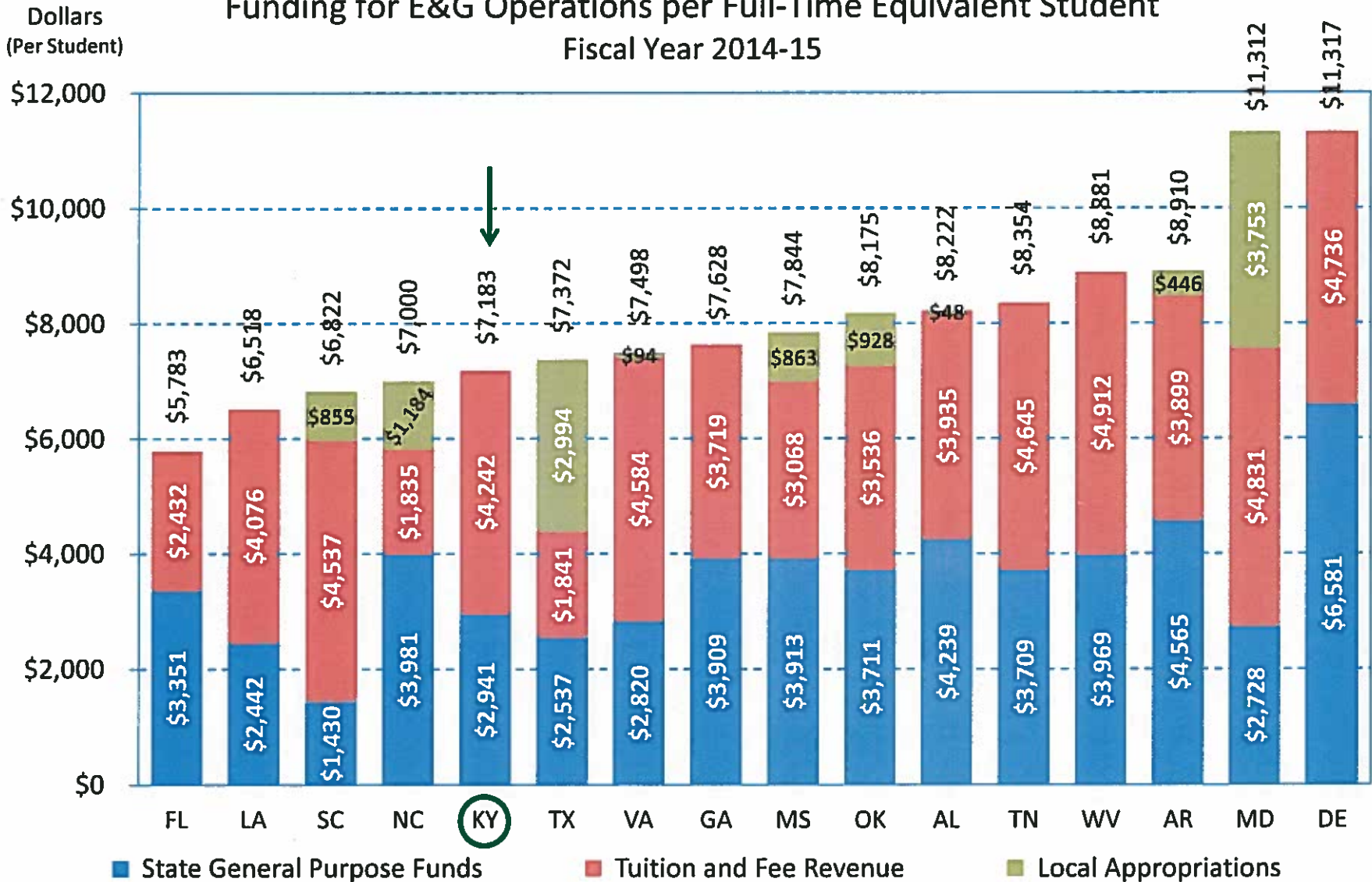
## Kentucky Public Postsecondary Sector Total Public Funds per Full-Time Equivalent (FTE) Student Fiscal Years 2007-08 through 2015-16

Constant 2016 Dollars



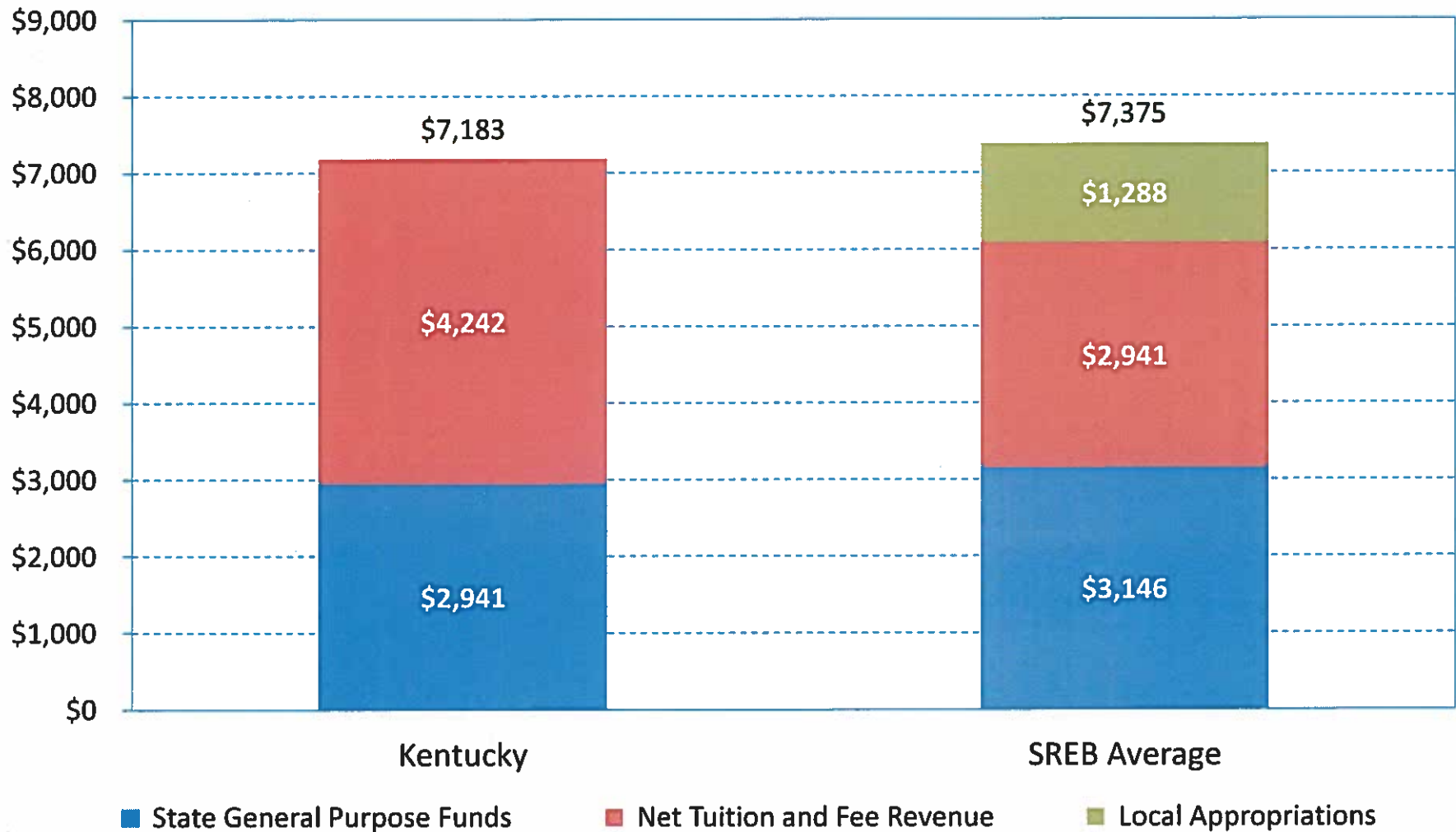
Sources: Kentucky Budget of the Commonwealth; CPE Comprehensive Database; Commonfund Institute, Higher Education Price Index (HEPI).

## Public Two-Year Colleges in Kentucky and SREB Member States Funding for E&G Operations per Full-Time Equivalent Student Fiscal Year 2014-15



Source: Southern Regional Education Board (SREB) Data Exchange.

**Public Two-Year Colleges in Kentucky and SREB Member States  
Total Public Funds per Full-Time Equivalent Student  
Fiscal Year 2014-15**



Source: Southern Regional Education Board (SREB), Data Exchange.

## Mandated KERS Increases

**Kentucky Public Comprehensive University and KCTCS Institution  
Change in KERS Employer Contributions  
Between Fiscal Years 2011-12 and 2016-17**

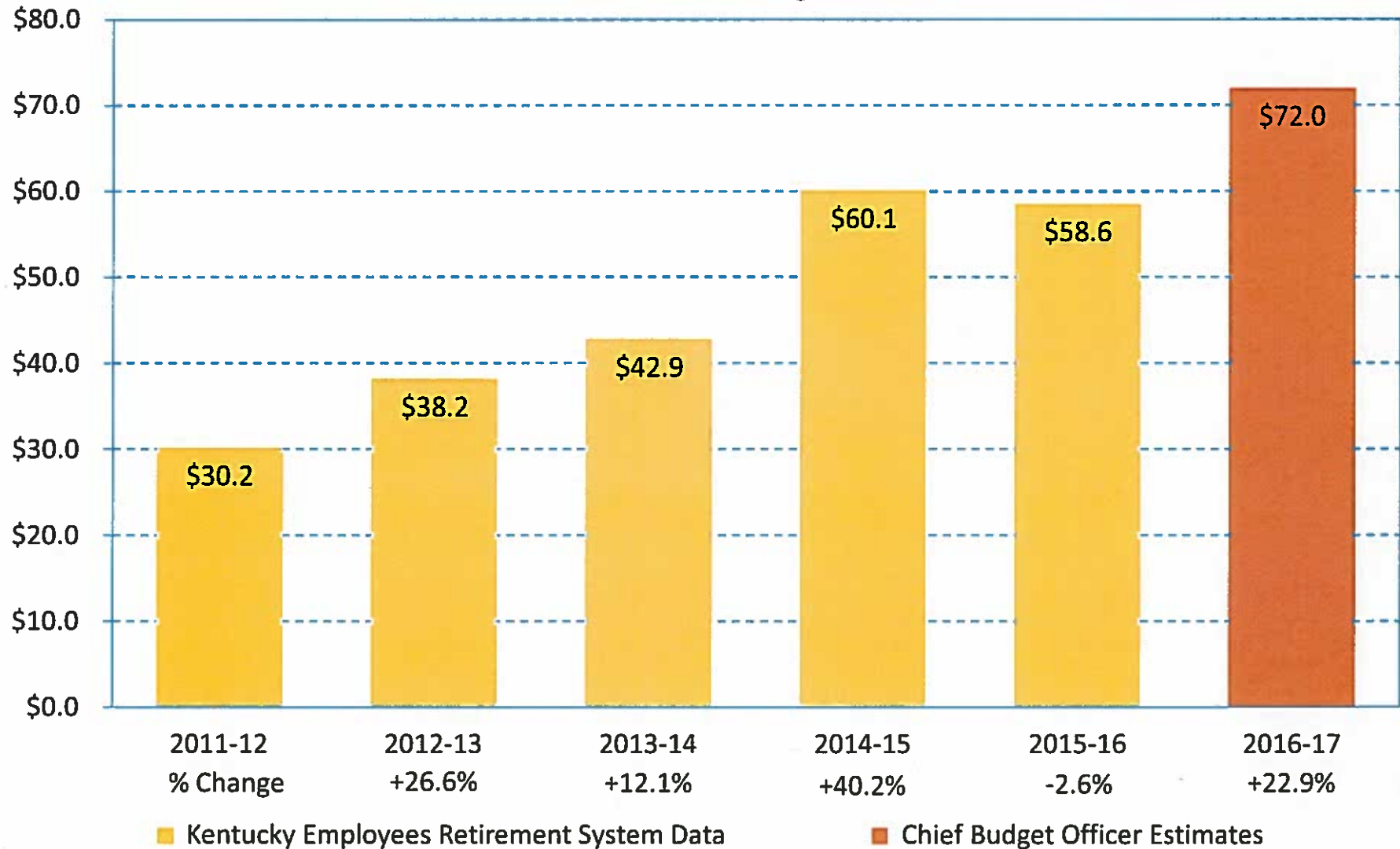
<u>Institution</u>	<u>Fiscal 2011-12 KERS Employer Contributions</u>	<u>Fiscal 2016-17 KERS Employer Contributions</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Eastern Kentucky University	5,597,129	14,379,770	8,782,641	156.9%
Kentucky State University	1,033,097	2,121,743	1,088,646	105.4%
Morehead State University	2,393,369	4,995,065	2,601,696	108.7%
Murray State University	3,091,598	6,576,466	3,484,868	112.7%
Northern Kentucky University	8,152,077	19,174,036	11,021,959	135.2%
Western Kentucky University	5,070,164	11,485,863	6,415,699	126.5%
KCTCS	4,870,055	13,242,140	8,372,085	171.9%
<b>Group Total</b>	<b>30,207,489</b>	<b>71,975,083</b>	<b>41,767,594</b>	<b>138.3%</b>

KERS = Kentucky Employees Retirement System

Sources: Kentucky Retirement System, Fiscal Year 2011-12; Participating Postsecondary Institutions, Chief Budget Officer Estimates, Fiscal Year 2016-17.

**Public Comprehensive University and KCTCS Institution  
Kentucky Employees Retirement System (KERS) Employer Contributions  
Fiscal Years 2011-12 through 2016-17**

Dollars  
(In Millions)



Sources: Kentucky Retirement System; Participating Postsecondary Institutions.

Kentucky Public Comprehensive University and KCTCS Institution  
 Combined Impact of State Funding Cuts and Mandated KERS Increases  
 Fiscal Years 2011-12 through 2016-17

	A	B	C	D	(B + C + D) E	(E ÷ A) F
Institution	Fiscal 2011-12 Net General Fund Appropriations	NGF Change <sup>(1)</sup> FY12 to FY17	KERS Change FY12 to FY17	Partial KERS Funding FY15	Combined Budget Impact FY12 to FY17	Percent Impact
Eastern Kentucky University	\$70,823,000	(\$7,246,800)	(\$8,782,641)	\$1,396,100	(\$14,633,341)	-20.7%
Kentucky State University	24,660,000	1,820,600	(1,088,646)	249,000	980,954	4.0%
Morehead State University	42,972,700	(1,651,600)	(2,601,696)	648,100	(3,605,196)	-8.4%
Murray State University	50,295,400	(5,182,000)	(3,484,868)	750,600	(7,916,268)	-15.7%
Northern Kentucky University	49,068,900	(5,157,100)	(11,021,959)	2,441,600	(13,737,459)	-28.0%
Western Kentucky University	75,879,500	(5,169,800)	(6,415,699)	1,330,500	(10,254,999)	-13.5%
KCTCS	200,744,200	(20,741,700)	(8,372,085)	1,602,500	(27,511,285)	-13.7%
<b>Group Total</b>	<b>\$514,443,700</b>	<b>(\$43,328,400)</b>	<b>(\$41,767,594)</b>	<b>\$8,418,400</b>	<b>(\$76,677,594)</b>	
Percent Impact		-8.4%	-8.1%	1.6%	-14.9%	

<sup>(1)</sup> Does not include additional appropriations that partially funded KERS increases in fiscal 2014-15, which is reported separately in Column D.

KERS = Kentucky Employees Retirement System

Sources: Kentucky Retirement System, Fiscal Years 2011-12 through 2015-16; Participating Postsecondary Institutions, Chief Budget Officer Estimates, Fiscal Year 2016-17.

## Revenues, Expenses, & Changes in Net Position



University of Kentucky  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees	\$ 332,204,000	\$ 364,547,000	\$ 385,989,000	\$ 425,805,000	\$ 457,893,000
Less Scholarship allowances	(87,522,000)	(99,254,000)	(98,472,000)	(122,869,000)	(138,266,000)
Net tuition and fees	\$ 244,682,000	\$ 265,293,000	\$ 287,517,000	\$ 302,936,000	\$ 319,627,000
Federal grants and contracts	178,465,000	165,214,000	160,384,000	168,125,000	169,291,000
State and local grants and contracts	107,176,000	87,143,000	67,755,000	92,269,000	91,216,000
Nongovernmental grants and contracts	29,030,000	31,021,000	28,040,000	29,805,000	34,979,000
Recoveries of facilities and administrative costs	51,818,000	47,862,000	47,159,000	48,154,000	51,088,000
Sales and services	56,064,000	50,473,000	54,765,000	54,112,000	48,823,000
Federal appropriations	16,529,000	16,890,000	17,921,000	17,535,000	19,266,000
County appropriations	17,457,000	19,312,000	20,338,000	21,975,000	23,717,000
Professional clinical service fees	220,633,000	196,974,000	203,721,000	223,291,000	229,075,000
Hospital services	906,607,000	945,885,000	1,101,662,000	1,323,652,000	1,417,243,000
Auxiliary enterprises:					
Housing and dining	54,386,000	57,793,000	58,346,000	41,960,000	41,041,000
Less Scholarship allowances	(6,656,000)	(7,367,000)	(7,193,000)	(2,695,000)	(1,938,000)
Net housing and dining	\$ 47,730,000	\$ 50,426,000	\$ 51,153,000	\$ 39,265,000	\$ 39,103,000
Athletics	69,307,000	72,033,000	73,957,000	88,928,000	102,995,000
Other auxiliaries	32,179,000	30,547,000	30,283,000	47,039,000	49,434,000
Other operating revenues	2,631,000	3,772,000	4,516,000	5,059,000	7,931,000
Total operating revenues	\$ 1,980,308,000	\$ 1,982,845,000	\$ 2,149,171,000	\$ 2,462,145,000	\$ 2,603,788,000
<b>EXPENSES</b>					
Operating Expenses					
Educational and general					
Instruction	\$ 271,757,000	\$ 257,516,000	\$ 271,857,000	\$ 286,377,000	\$ 301,463,000
Research	260,969,000	247,550,000	245,313,000	243,511,000	256,021,000
Public service	272,960,000	229,757,000	211,479,000	181,537,000	184,214,000
Libraries	20,170,000	19,487,000	21,070,000	21,084,000	22,198,000
Academic support	85,004,000	64,765,000	71,482,000	73,078,000	74,600,000
Student services	34,489,000	34,106,000	36,790,000	38,648,000	44,570,000
Institutional support	61,837,000	52,702,000	49,295,000	55,623,000	58,643,000
Operation and maintenance of plant	67,435,000	63,198,000	79,823,000	71,104,000	83,420,000
Student aid	29,458,000	30,251,000	42,099,000	32,894,000	36,795,000
Depreciation	71,112,000	69,508,000	66,224,000	65,548,000	65,188,000
Total educational and general	\$ 1,175,191,000	\$ 1,068,840,000	\$ 1,095,432,000	\$ 1,069,404,000	\$ 1,127,112,000
Clinical operations (including depreciation)	171,664,000	186,789,000	170,955,000	246,431,000	283,374,000
Hospital and clinics (including depreciation)	862,300,000	891,005,000	1,012,625,000	1,134,123,000	1,300,597,000
Auxiliary enterprises					
Housing and dining (including depreciation)	45,254,000	47,531,000	52,416,000	30,961,000	27,227,000
Athletics (including depreciation)	70,180,000	84,036,000	91,322,000	101,696,000	121,859,000
Other auxiliaries (including depreciation)	19,335,000	21,035,000	17,449,000	25,998,000	27,300,000
Other operating expenses	1,102,000	682,000	1,384,000	640,000	570,000
Total operating expenses	\$ 2,345,026,000	\$ 2,299,918,000	\$ 2,441,583,000	\$ 2,609,253,000	\$ 2,888,039,000
Net loss from operations	\$ (364,718,000)	\$ (317,073,000)	\$ (292,412,000)	\$ (147,108,000)	\$ (284,251,000)

University of Kentucky  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	\$ 297,580,000	\$ 283,869,000	\$ 283,869,000	\$ 279,611,000	\$ 279,611,000
Gifts and non-exchange grants	88,468,000	98,418,000	96,771,000	105,506,000	127,796,000
Investment income (loss)	(232,000)	104,748,000	155,547,000	45,188,000	(2,665,000)
Interest on capital asset-related debt	(32,151,000)	(29,244,000)	(30,288,000)	(27,691,000)	(28,444,000)
Other nonoperating revenues and expenses, net	7,654,000	9,856,000	7,449,000	8,988,000	16,653,000
Net non-operating revenues (expenses)	<u>\$ 361,319,000</u>	<u>\$ 467,647,000</u>	<u>\$ 513,348,000</u>	<u>\$ 411,602,000</u>	<u>\$ 392,951,000</u>
Net income (loss) before other revenues, expenses, gains or losses	\$ (3,399,000)	\$ 150,574,000	\$ 220,936,000	\$ 264,494,000	\$ 108,700,000
Capital grants and gifts	\$ 40,022,000	\$ 30,672,000	\$ 54,068,000	\$ 45,341,000	\$ 165,896,000
Additions to permanent endowments	11,581,000	10,225,000	7,578,000	7,758,000	13,052,000
Other, net	(3,978,000)	(1,676,000)	(1,236,000)	(4,187,000)	(18,379,000)
Total other revenues (expenses)	<u>\$ 47,625,000</u>	<u>\$ 39,221,000</u>	<u>\$ 60,410,000</u>	<u>\$ 48,912,000</u>	<u>\$ 160,569,000</u>
<b>NET POSITION</b>					
Increase in net position	\$ 44,226,000	\$ 189,795,000	\$ 281,346,000	\$ 313,406,000	\$ 269,269,000
Net position, beginning of year	\$ 2,632,161,000	\$ 2,676,387,000		\$ 3,143,852,000	\$ 3,457,258,000
Cumulative effect of adoption of accounting principle		\$ (3,676,000)			
Net position, beginning of year, as restated		\$ 2,672,711,000	\$ 2,862,506,000		
Net position, end of year	<u>\$ 2,676,387,000</u>	<u>\$ 2,862,506,000</u>	<u>\$ 3,143,852,000</u>	<u>\$ 3,457,258,000</u>	<u>\$ 3,726,527,000</u>

University of Louisville  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees, net of discounts and allowances	\$ 182,902,000	\$ 195,627,000	\$ 209,442,000	\$ 209,834,000	\$ 209,503,000
Clinical services and practice plan	190,531,000	193,212,000	227,858,000	252,446,000	269,305,000
Federal grants and contracts	85,777,000	74,137,000	70,255,000	64,599,000	70,049,000
State grants and contracts	12,150,000	10,555,000	9,325,000	11,345,000	8,660,000
Nongovernmental grants and contracts	12,560,000	9,617,000	12,306,000	14,191,000	24,707,000
Sales and services of educational departments	3,983,000	4,452,000	5,332,000	6,292,000	8,431,000
Facilities and administrative cost recoveries	26,899,000	24,011,000	21,965,000	22,596,000	24,611,000
Auxiliary enterprise revenues, net of discounts & allowances	12,179,000	13,384,000	13,007,000	12,618,000	10,946,000
Intercollegiate athletics	41,984,000	45,878,000	49,155,000	66,072,000	71,335,000
Other operating revenues	4,023,000	6,283,000	10,757,000	8,347,000	12,022,000
Total operating revenues	\$ 572,988,000	\$ 577,156,000	\$ 629,402,000	\$ 668,340,000	\$ 709,569,000
<b>EXPENSES</b>					
Operating Expenses					
Instruction	253,515,000	262,281,000	270,083,000	276,422,000	286,693,000
Research	130,300,000	118,193,000	114,870,000	139,830,000	144,197,000
Public service	88,060,000	88,373,000	96,206,000	107,165,000	121,720,000
Academic support	75,490,000	91,114,000	92,743,000	129,552,000	134,842,000
Student services	26,130,000	27,043,000	28,140,000	29,653,000	30,625,000
Institutional support	44,765,000	44,178,000	48,253,000	51,431,000	69,720,000
Operation and maintenance of plant	48,995,000	54,970,000	53,761,000	56,308,000	47,746,000
Scholarships and fellowships	30,476,000	28,870,000	29,821,000	31,774,000	30,842,000
Auxiliary enterprises	8,363,000	8,045,000	7,860,000	8,588,000	7,912,000
Intercollegiate athletics	60,696,000	78,629,000	72,602,000	80,301,000	85,073,000
Depreciation and amortization	62,724,000	55,311,000	56,333,000	53,339,000	51,295,000
Total operating expenses	\$ 829,514,000	\$ 857,007,000	\$ 870,672,000	\$ 964,363,000	\$ 1,010,665,000
Operating loss	\$ (256,526,000)	\$ (279,851,000)	\$ (241,270,000)	\$ (296,023,000)	\$ (301,096,000)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	156,114,000	144,066,000	147,256,000	140,744,000	142,213,000
Gifts	28,042,000	30,448,000	29,245,000	38,261,000	30,551,000
Nonexchange grants and contracts	40,913,000	39,774,000	41,706,000	43,314,000	43,417,000
Investment income	5,872,000	1,106,000	1,324,000	1,508,000	1,938,000
Realized and unrealized loss on investments	(2,567,000)	1,177,000	2,231,000	(1,657,000)	(4,657,000)
Interest on capital asset-related debt	(11,956,000)	(10,996,000)	(10,939,000)	(11,136,000)	(9,961,000)
Other non-operating expenses	(4,411,000)	13,900,000	1,906,000	10,702,000	708,000
Net non-operating revenues	\$ 212,007,000	\$ 219,475,000	\$ 212,729,000	\$ 221,736,000	\$ 204,209,000
Loss before other revenues, expenses, gains and losses	\$ (44,519,000)	\$ (60,376,000)	\$ (28,541,000)	\$ (74,287,000)	\$ (96,887,000)
Capital appropriations	\$ -	\$ -	\$ 2,539,000	\$ 13,973,000	\$ 9,741,000
Capital gifts	1,761,000	7,031,000	13,126,000	8,331,000	9,623,000
Contributions to University of Louisville Real Estate Foundation, Inc.	-	-	-	-	(3,088,000)
Contributions from University of Louisville Foundation, Inc.	6,623,000	2,895,000	11,026,000	64,756,000	93,522,000
Total other revenues	\$ 8,384,000	\$ 9,926,000	\$ 26,691,000	\$ 87,060,000	\$ 109,798,000
Voluntary separation plan expense	\$ -	\$ 18,001,000	\$ -	\$ -	\$ -
Increase (decrease) in net position	\$ (36,135,000)	\$ (68,451,000)	\$ (1,850,000)	\$ 12,773,000	\$ 12,911,000
<b>NET POSITION</b>					
Net position - beginning of year, as previously reported	\$ 804,502,000	\$ 769,377,000			
Adjustments applicable to prior years	\$ 1,010,000	\$ (5,269,000)			
Net position, beginning of year	\$ 805,512,000	\$ 764,108,000	\$ 695,657,000	\$ 693,807,000	\$ 706,580,000
Net position, end of year	\$ 769,377,000	\$ 695,657,000	\$ 693,807,000	\$ 706,580,000	\$ 719,491,000

Eastern Kentucky University  
Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Tuition and fees - net	\$ 79,538,917	\$ 78,246,475	\$ 86,577,771	\$ 90,980,531	\$ 96,205,325
Federal grants and contracts	33,575,604	26,144,953	27,184,848	20,456,223	22,594,632
State grants and contracts	16,700,587	22,090,836	19,387,104	25,958,017	25,255,299
Nongovernmental grants, contracts, and gifts	2,796,011	1,610,372	1,497,884	4,232,769	3,017,660
Sales and services of educational activities	4,448,420	4,967,709	5,465,810	6,413,375	6,134,257
Auxiliary enterprises:					
Housing	9,654,581	9,025,498	10,059,502	12,170,360	13,051,098
Other auxiliaries	4,068,689	3,905,795	3,654,189	3,269,942	4,530,240
Other operating revenues	12,693,214	12,780,354	11,745,862	12,864,958	15,618,630
Total operating revenues	\$ 163,476,023	\$ 158,771,992	\$ 165,572,970	\$ 176,346,175	\$ 186,407,141
<b>EXPENSES</b>					
Operating Expenses					
Educational and general					
Instruction	\$ 96,349,005	\$ 93,119,445	\$ 92,015,444	\$ 93,708,918	\$ 94,619,751
Research	2,378,911	1,740,544	1,114,323	700,916	850,676
Public service	43,065,330	41,485,864	41,480,436	43,376,570	44,082,183
Libraries	3,726,117	3,668,094	3,718,650	3,937,366	4,368,699
Academic support	18,795,817	20,795,090	19,815,713	20,179,592	21,301,922
Student services	18,245,354	18,202,692	18,166,962	19,252,078	20,914,604
Institutional support	27,046,379	29,924,241	25,589,695	32,799,509	31,959,358
Operation and maintenance of plant	19,987,141	17,095,120	22,792,239	20,444,961	22,091,352
Depreciation	12,689,726	14,739,558	13,155,660	13,425,530	14,068,622
Student aid	12,969,767	10,895,565	12,201,759	11,799,809	14,417,205
Auxiliary enterprises					
Housing and other auxiliaries	16,890,183	16,734,732	16,476,546	18,586,339	21,833,139
Depreciation	3,246,652	3,134,427	3,134,427	4,128,844	2,911,462
Pension expense				6,493,146	16,605,061
Other operating expenses	244,369	308,463	242,976	291,434	160,185
Total operating expenses	\$ 275,634,751	\$ 271,843,835	\$ 269,904,830	\$ 289,125,012	\$ 310,184,219
Operating loss	\$ (112,158,728)	\$ (113,071,843)	\$ (104,331,860)	\$ (112,778,837)	\$ (123,777,078)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	\$ 70,823,000	\$ 67,673,700	\$ 67,673,700	\$ 68,033,800	\$ 68,033,800
Federal and state grants and contracts	39,654,011	41,508,321	41,083,988	42,639,565	43,112,844
Nongovernmental grants, contracts, and gifts				-	6,978,608
Investment income	782,000	(84,840)	1,746,580	(612,258)	(322,740)
Interest expense	(1,948,868)	(1,938,749)	(2,018,681)	(4,653,773)	(4,515,151)
Other nonoperating revenues	2,807,771	2,167,826	2,135,906	2,136,876	2,140,450
Other nonoperating expenses	10,719	(1,907,521)	(127,934)	(637,569)	(1,334,760)
Net non-operating revenues	\$ 112,128,633	\$ 107,418,737	\$ 110,493,559	\$ 106,906,641	\$ 114,093,051
Loss before capital appropriations	\$ (30,095)	\$ (5,653,106)	\$ 6,161,699	\$ (5,872,196)	\$ (9,684,027)
Capital appropriations	\$ (133,672)	\$ 1,500,000	\$ (426,024)	\$ 7,980,196	\$ 21,981,500
Increase (decrease) in net position	\$ (163,767)	\$ (4,153,106)	\$ 5,735,675	\$ 2,108,000	\$ 12,297,473
<b>NET POSITION</b>					
Net position, beginning of year	\$ 320,421,311	\$ 320,257,544	\$ 314,958,236	\$ (57,258,756)	\$ (55,150,756)
Restatement for GASB 65		\$ (1,146,202)			
Net position - beginning of year, as restated	\$ 320,421,311	\$ 319,111,342	\$ 314,958,236		
Net position, end of year	\$ 320,257,544	\$ 314,958,236	\$ 320,693,911	\$ (55,150,756)	\$ (42,853,283)

Kentucky State University  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees (net of scholarship allowances)	\$ 18,943,062	\$ 16,595,920	\$ 16,472,026	\$ 11,517,008	\$ 9,316,745
Federal grants and contracts	10,720,989	7,588,912	5,935,012	7,955,755	7,254,074
Federal appropriations	3,796,394	6,873,169	6,722,332	6,665,512	8,006,332
State and local grants and contracts	1,547,004	1,584,056	2,289,810	2,146,240	2,554,046
Auxiliary enterprises:					
Residence halls	3,278,362	2,836,181	3,161,664	2,478,446	1,949,920
Dining	3,261,069	2,775,383	2,877,787	2,229,515	1,719,895
Bookstore	152,500	152,500	75,000	85,922	
Other auxiliaries	146,898	301,329	80,973	32,154	33,027
Other operating revenues	1,653,909	1,131,620	1,096,045	1,741,780	846,985
Total operating revenues	\$ 43,500,187	\$ 39,839,070	\$ 38,710,649	\$ 34,852,332	\$ 31,681,024
<b>EXPENSES</b>					
Operating Expenses					
Educational and general					
Instruction	\$ 14,381,597	\$ 13,701,239	\$ 12,765,912	\$ 12,125,446	\$ 9,460,901
Research	7,668,990	5,783,591	5,508,361	6,017,057	6,461,012
Public service	6,113,245	5,419,529	7,780,834	7,638,360	7,514,740
Academic support	4,286,089	3,367,893	2,438,777	3,020,699	2,859,099
Student services	7,464,907	7,712,162	7,279,017	6,315,386	5,317,646
Institutional support	12,740,655	9,672,796	13,882,639	11,458,791	10,749,748
Operation and maintenance of plant	3,297,562	5,602,000	4,680,295	5,229,721	4,627,724
Student aid	10,098,858	9,162,677	9,222,531	7,612,000	5,987,246
Depreciation	4,141,979	4,174,107	4,132,690	4,136,061	3,847,551
Auxiliary enterprises					
Residence halls	2,426,878	2,626,565	2,321,813	2,043,210	1,844,913
Dining	2,896,641	2,608,016	2,655,019	1,929,366	1,669,271
Other auxiliaries	541,047	1,039,110	686,439	685,719	682,034
Depreciation	343,800	336,961	327,251	324,161	302,992
Total operating expenses	\$ 76,402,248	\$ 71,206,646	\$ 73,681,578	\$ 68,535,977	\$ 61,324,877
Operating loss	\$ (32,902,061)	\$ (31,367,576)	\$ (34,970,929)	\$ (33,683,645)	\$ (29,643,853)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	\$ 24,660,001	\$ 23,537,402	\$ 23,537,400	\$ 23,429,600	\$ 23,429,600
Federal grants and contracts	7,373,490	5,922,954	5,928,036	5,024,963	3,785,004
Gifts	251,309	-			
Investment (loss) income (net of investment expense)	849,729	1,150,833	1,700,270	280,360	(209,844)
Interest on capital asset-related debt	(373,738)	(276,050)	(317,534)	(263,107)	(445,054)
Other non-operating revenues	337,867	583,269	71,352		
Endowment gifts	106,552	7,276	12,676	4,636	187
Net non-operating revenues	\$ 33,205,210	\$ 30,925,684	\$ 30,932,200	\$ 28,476,452	\$ 26,559,893
Decrease in net position before cumulative effect of change			\$ (4,038,729)	\$ (5,207,193)	\$ (3,083,960)
Cumulative effect of a change in accounting principle				(93,364,175)	
Increase (Decrease) in net position	\$ 303,149	\$ (441,892)	\$ (4,038,729)	\$ (98,571,368)	\$ (3,083,960)
<b>NET POSITION</b>					
Net position, beginning of year	\$ 114,195,008	\$ 114,498,157	\$ 114,056,265	\$ 110,017,536	\$ 11,446,168
Net position, end of year	\$ 114,498,157	\$ 114,056,265	\$ 110,017,536	\$ 11,446,168	\$ 8,362,208

Morehead State University  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees, net of scholarship allowances	\$ 39,039,988	\$ 40,516,548	\$ 38,074,620	\$ 36,057,694	\$ 36,093,603
Federal grants and contracts	12,199,360	12,483,560	12,299,433	11,296,162	12,291,574
State and local grants and contracts	2,035,319	1,393,374	1,283,161	1,447,000	1,244,944
Nongovernmental grants and contract	845,269	636,051	659,562	805,820	593,429
Sales and services of educational activities	2,280,687	2,457,546	2,149,927	2,557,288	2,200,709
Auxillary enterprises					
Residence halls (net of scholarship allowances)	9,074,062	10,561,975	11,924,509	12,369,591	12,801,110
Bookstore	4,568,260	4,922,585	5,102,910	5,128,879	4,885,863
Other auxillaries	1,867,502	2,161,837	2,269,904	2,312,344	1,927,994
Other operating revenues	4,728,587	4,589,438	4,473,963	5,563,076	5,262,035
Total operating revenues	\$ 76,639,034	\$ 79,722,914	\$ 78,237,989	\$ 77,537,854	\$ 77,301,261
<b>EXPENSES</b>					
Operating Expenses					
Education and general					
Instruction	\$ 45,591,539	\$ 44,203,014	\$ 46,025,933	\$ 46,454,685	\$ 46,762,383
Research	2,033,009	2,241,288	1,559,471	1,478,683	2,067,977
Public service	6,138,702	5,623,128	6,092,974	7,294,524	7,871,431
Library	3,350,368	3,311,965	3,306,975	3,553,591	3,581,845
Academic support	11,857,698	12,001,070	12,286,903	11,535,679	10,858,492
Student services	16,704,430	15,973,516	16,964,312	15,022,345	15,606,236
Institutional support	13,599,198	13,767,591	15,058,426	17,286,929	17,700,622
Operation and maintenance of plant	8,812,954	8,642,717	10,704,103	12,055,136	12,607,268
Depreciation	9,876,079	9,646,093	9,789,361	11,847,075	10,109,102
Student aid	12,826,208	13,812,188	14,308,722	14,660,931	14,688,405
Auxillary enterprises					
Residence halls	6,694,111	6,472,245	7,788,900	7,956,203	7,112,243
Bookstore	4,054,650	4,224,767	4,426,705	4,302,888	4,349,078
Other auxillaries	1,835,704	1,828,854	1,842,351	1,896,136	2,008,362
Other operating loss (gain)	93,675	(628,205)	391,025	2,513,396	56,955
Total operating expenses	\$ 143,468,325	\$ 141,120,231	\$ 150,546,161	\$ 157,858,201	\$ 155,380,399
Operating loss	\$ (66,829,291)	\$ (61,397,317)	\$ (72,308,172)	\$ (80,320,347)	\$ (78,079,138)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Grants and contracts	22,001,090	23,441,203	25,493,030	26,384,270	26,026,474
State appropriations	44,148,933	42,162,425	42,123,780	41,097,324	43,396,121
Private construction appropriations				6,000,000	4,000,000
Investment income net	284,405	68,618	199,212	141,311	336,543
Interest on capital asset-related debt	(2,744,349)	(2,654,540)	(3,433,019)	(2,763,584)	(3,359,921)
Net non-operating revenues	\$ 63,690,079	\$ 63,017,706	\$ 64,383,003	\$ 70,859,321	\$ 70,399,217
Loss before capital appropriations	(3,139,212)	1,620,389	(7,925,169)	(9,461,026)	(7,679,921)
Capital appropriations	\$ 5,722,066	\$ 3,410,488	\$ 2,542,591	\$ 3,805,234	\$ 5,234,692
Decrease (increase) in net position before cumulative effect of change	2,582,854			(5,655,792)	(2,445,229)
Cumulative effect of a change in accounting principle				(194,218,731)	-
Decrease in net position		\$ 5,030,877	\$ (5,382,578)	\$ (199,874,523)	\$ (2,445,229)
<b>NET POSITION</b>					
Net position, beginning of year	\$ 176,025,501	\$ 178,608,355	\$ 183,639,232	\$ 178,256,654	\$ (21,617,869)
Net position, end of year	\$ 178,608,355	\$ 183,639,232	\$ 178,256,654	\$ (21,617,869)	\$ (24,063,098)

Murray State University  
Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
<b>Operating Revenues</b>					
Tuition and Fees	\$ 93,343,856	\$ 101,421,417	\$ 106,385,210	\$ 116,401,368	\$ 116,551,683
Less: Discounts and allowances	(33,538,186)	(37,195,308)	(40,397,199)	(42,812,667)	(43,007,042)
Net tuition and fees	\$ 59,805,670	\$ 64,226,109	\$ 65,988,011	\$ 73,588,701	\$ 73,544,641
Federal grants and contracts	\$ 5,978,398	\$ 4,847,457	\$ 4,377,944	\$ 4,583,464	\$ 4,343,655
State grants and contracts	1,626,992	1,283,670	1,422,318	1,242,360	1,381,932
Private grants and contracts	303,809	199,209	316,797	478,507	304,688
Total grants and contracts	\$ 7,909,199	\$ 6,330,336	\$ 6,117,059	\$ 6,304,331	\$ 6,030,275
Sales and services of educational activities	\$ 3,298,098	\$ 3,288,936	\$ 3,789,277	\$ 3,825,514	\$ 3,513,390
Other operating revenues	2,982,940	2,301,230	2,780,116	5,227,948	4,167,299
Total sales, services, and other revenues	\$ 6,281,038	\$ 5,590,166	\$ 6,569,393	\$ 9,053,462	\$ 7,680,689
Auxiliary enterprises revenue	\$ 28,911,467	\$ 31,394,405	\$ 32,299,250	\$ 33,853,864	\$ 32,571,656
Less: Discounts and allowances	(663,146)	(692,727)	(760,805)	(662,529)	(707,761)
Net auxiliary revenue	\$ 28,248,321	\$ 30,701,678	\$ 31,538,445	\$ 33,191,335	\$ 31,863,895
Total Operating Revenues	102,244,228	106,848,289	110,212,908	122,137,829	119,119,500
<b>EXPENSES</b>					
<b>Operating Expenses</b>					
Instruction	\$ 57,431,018	\$ 58,527,594	\$ 61,028,117	\$ 65,098,722	\$ 68,688,820
Research	2,592,831	1,649,914	1,769,162	1,977,827	1,995,122
Public service	8,409,323	8,342,617	8,297,342	7,873,887	7,737,975
Library	3,132,627	3,216,670	3,330,269	2,877,268	3,833,459
Academic support	6,976,471	7,249,726	7,218,512	7,252,704	7,373,974
Student services	14,791,333	14,623,199	15,345,898	16,085,691	16,678,323
Institutional support	18,782,552	18,888,657	19,798,424	21,011,951	22,369,649
Operation and maintenance of plant	15,561,619	16,151,452	18,880,515	16,122,820	15,711,777
Student Financial Aid	12,665,288	11,280,915	11,439,493	13,231,654	12,753,421
Depreciation	7,870,697	8,431,901	8,244,719	8,919,737	8,151,607
Auxiliary enterprises	20,688,688	21,477,661	21,947,340	23,331,199	23,045,892
Auxiliary depreciation	1,238,711	1,264,334	1,277,967	1,440,540	2,035,798
Total operating expenses	\$ 170,141,158	\$ 171,104,640	\$ 178,577,758	\$ 185,244,000	\$ 190,375,817
Operating loss	\$ (67,896,930)	\$ (64,256,351)	\$ (68,364,850)	\$ (63,086,171)	\$ (71,256,317)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	50,295,400	48,005,800	48,005,800	48,025,100	47,064,600
Restricted student fees (revenues are pledged as security for the City of Murray debt agreement)	667,555	685,186	687,292	710,791	688,057
Federal grants and contracts	14,420,740	13,926,050	13,493,170	14,109,439	12,684,076
Federal grants and contracts -ARRA	6,438,812	6,284,166	7,382,767	7,725,635	7,837,173
State grants and contracts	547,264	545,269	506,299	511,173	475,863
Gifts	1,311,013	2,012,853	1,295,049	1,230,421	1,239,140
Investment income	1,157,906	2,551,331	3,802,141	1,285,586	1,539,489
Interest on capital asset-related debt	(1,631,662)	(1,483,275)	(1,679,830)	(1,587,708)	(1,814,708)
Loss on deletion and disposal of capital assets	(154,101)	(294,432)	(179,436)	(394,605)	(23,459)
Bond amortization	(315,825)	(243,661)	(187,200)	(171,870)	(236,950)
Net non-operating revenues	\$ 72,737,102	\$ 71,989,237	\$ 73,126,052	\$ 71,443,962	\$ 69,453,281
Income before other revenues, expenses, gains and losses	\$ 4,840,172	\$ 7,732,886	\$ 4,761,202	\$ 8,357,791	\$ (1,803,036)
State Capital Appropriations	\$ -	\$ 2,000,000	\$ -	\$ 4,274,360	\$ 34,123,728
Insurance Proceeds	\$ 284,810	\$ 40,503	\$ 40,451	\$ 654,206	\$ 301,681
Capital gifts	\$ 184,114	\$ 977,141	\$ 36,483	\$ 587,920	\$ 189,160
Additions to Permanent Endowments	\$ 535,403	\$ -	\$ 5,581	\$ 35,268	\$ 101,200
<b>NET POSITION</b>					
Change in Net Position	\$ 5,844,499	\$ 10,750,530	\$ 4,843,717	\$ 13,909,545	\$ 32,912,733
Net Position - Beginning of year (as previously reported)	\$ 220,174,891	\$ 226,019,390	\$ 235,768,482	\$ 240,612,199	\$ 23,846,697
Restatement of beginning net position for pension liability			-	\$ (230,675,047)	-
Net Position - Beginning of year (as restated)	\$ 226,019,390	\$ 226,019,390	\$ 235,768,482	\$ 9,937,152	\$ 23,846,697
Net Position - End of year	\$ 226,019,390	\$ 236,769,920	\$ 240,612,199	\$ 23,846,697	\$ 56,759,430

Northern Kentucky University  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees (net of scholarship allowances)	\$ 105,171,000	\$ 109,562,000	\$ 107,716,000	\$ 106,415,000	\$ 102,670,000
Federal grants and contracts	3,528,000	3,281,000	2,949,000	3,566,000	3,394,000
State and local grants and contracts	3,560,000	4,251,000	4,846,000	3,890,000	3,199,000
Nongovernmental grants and contracts	2,409,000	2,436,000	2,458,000	2,917,000	2,741,000
Sales and services of educational departments	4,407,000	4,751,000	5,470,000	4,529,000	4,380,000
Auxiliary enterprises:					
Housing and food service (net of scholarship allowances)	8,574,000	9,344,000	10,000,000	11,327,000	11,494,000
Other auxiliaries	4,461,000	4,071,000	4,177,000	3,985,000	3,728,000
Other operating revenues	7,783,000	7,173,000	7,423,000	7,124,000	7,083,000
Total operating revenues	\$ 139,893,000	\$ 144,869,000	\$ 145,039,000	\$ 143,753,000	\$ 138,689,000
<b>EXPENSES</b>					
Operating Expenses					
Educational and general					
Instruction	\$ 77,538,000	\$ 76,420,000	\$ 77,202,000	\$ 74,586,000	\$ 73,211,000
Research	1,660,000	1,453,000	1,531,000	1,671,000	1,574,000
Public service	12,130,000	13,076,000	13,917,000	13,473,000	13,848,000
Libraries	4,475,000	6,141,000	6,052,000	6,011,000	6,006,000
Academic support	16,404,000	17,758,000	16,487,000	18,165,000	18,148,000
Student services	19,771,000	25,256,000	22,267,000	26,955,000	28,019,000
Institutional support	25,718,000	25,210,000	26,407,000	27,808,000	29,175,000
Operation and maintenance of plant	16,240,000	16,504,000	17,038,000	17,212,000	18,820,000
Depreciation	17,963,000	17,116,000	16,475,000	16,375,000	17,387,000
Student aid	14,240,000	13,195,000	13,777,000	13,028,000	14,263,000
Auxiliary enterprises					
Housing and food service	4,309,000	4,405,000	4,572,000	6,568,000	6,376,000
Other auxiliaries	1,118,000	1,789,000	1,345,000	1,316,000	1,389,000
Auxiliary depreciation	2,804,000	2,828,000	2,817,000	3,229,000	3,390,000
Other expenses	64,000	44,000	101,000	33,000	41,000
Total operating expenses	\$ 214,434,000	\$ 221,195,000	\$ 219,988,000	\$ 226,430,000	\$ 231,647,000
Net income (loss) from operations	\$ (74,541,000)	\$ (76,326,000)	\$ (74,949,000)	\$ (82,677,000)	\$ (92,958,000)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	\$ 49,744,000	\$ 46,835,000	\$ 46,835,000	\$ 48,538,000	\$ 48,538,000
Federal grants and contracts	19,936,000	19,423,000	19,645,000	19,514,000	18,955,000
State and local grants and contracts	7,599,000	7,663,000	8,532,000	8,963,000	10,119,000
Private gifts and grants	32,000	64,000	2,000	11,000	11,000
Investment income (loss)	226,000	1,542,000	2,406,000	594,000	(4,000)
Interest on capital asset-related debt	(3,988,000)	(3,749,000)	(3,381,000)	(3,800,000)	(4,179,000)
Other nonoperating revenues (expenses)	(16,000)	(108,000)	(607,000)	(97,000)	(453,000)
Net non-operating revenues	\$ 73,533,000	\$ 71,670,000	\$ 73,432,000	\$ 73,723,000	\$ 72,987,000
Income (loss) before other revenues, expenses, gains or losses	(1,008,000)	(4,656,000)	(1,517,000)	(8,954,000)	(19,971,000)
Capital appropriations	-	(80,000)	-	1,968,000	17,013,000
Capital grants and gifts	3,862,000	558,000	281,000	111,000	489,000
Total other revenues	3,862,000	478,000	281,000	2,079,000	17,502,000
Increase (decrease) in net position	\$ 2,854,000	\$ (4,178,000)	\$ (1,236,000)	\$ (6,875,000)	\$ (2,469,000)
<b>NET POSITION</b>					
Net position, beginning of year	\$ 318,439,000	\$ 315,508,000	\$ 311,330,000	\$ 310,094,000	\$ 92,783,000
Cumulative effect of change in accounting principle				\$ (210,436,000)	
Net position - beginning of year, as restated	\$ 318,439,000	\$ 315,508,000	\$ 311,330,000	\$ 99,658,000	\$ 92,783,000
Net position, end of year	\$ 321,293,000	\$ 311,330,000	\$ 310,094,000	\$ 92,783,000	\$ 90,314,000



Western Kentucky University  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes  
 March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees (net of discounts and allowances)	\$ 117,876,037	\$ 123,535,178	\$ 129,435,073	\$ 134,271,809	\$ 139,398,091
Federal grants and contracts	214,818	521,421	607,167	393,352	332,088
State grants and contracts	49,832	92,116	80,516	76,295	64,913
Local and private grants and contracts				237,152	381,147
Sales and services of educational activities	12,432,331	16,604,978	16,549,685	16,843,209	20,051,165
Auxillary enterprise revenues, net of discounts and allowances	20,861,308	20,943,979	20,981,168	20,895,930	20,598,357
Other operating revenues	16,787,244	20,051,191	19,457,411	18,914,447	19,243,539
Total operating revenues	\$ 168,221,570	\$ 181,748,863	\$ 187,111,020	\$ 191,632,194	\$ 200,069,300
<b>EXPENSES</b>					
Operating Expenses					
Education and general					
Instruction	\$ 102,637,722	\$ 105,760,999	\$ 109,799,967	\$ 110,196,269	\$ 110,706,132
Research	10,312,775	8,759,003	6,757,102	7,145,927	7,299,227
Public service	15,400,952	15,550,611	16,308,240	15,190,180	14,774,737
Library	6,023,956	5,635,954	5,878,010	6,050,115	5,894,086
Academic support	19,949,982	19,178,521	18,286,281	19,613,296	19,024,604
Student services	29,692,365	32,524,757	34,299,870	33,688,290	33,231,140
Institutional support	29,706,578	32,385,053	30,722,873	40,545,454	43,041,450
Operation and maintenance of plant	25,644,119	28,349,841	29,161,415	33,128,725	30,443,008
Student Financial Aid	28,340,698	25,762,437	25,739,833	24,282,616	22,966,891
Depreciation	22,661,139	24,315,649	24,868,572	25,353,178	27,689,482
Auxillary enterprises	19,939,437	20,497,408	20,053,404	20,575,101	20,629,207
Total operating expenses	\$ 310,309,723	\$ 318,720,233	\$ 321,875,567	\$ 335,769,151	\$ 335,699,964
Operating loss	\$ (142,088,153)	\$ (136,971,370)	\$ (134,764,547)	\$ (144,136,957)	\$ (135,630,664)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	\$ 75,879,500	\$ 72,425,200	\$ 72,425,200	\$ 72,649,400	\$ 74,649,400
State appropriations - in-kind KTRS pension				1,501,683	1,488,442
Federal grants and contracts	48,090,411	42,828,442	40,095,758	38,099,115	35,529,129
Federal grants and contracts -ARRA	303,678	262,150	272,629	142,244	28,000
State grants and contracts	18,092,554	16,475,227	19,270,555	18,255,611	19,112,346
Local and private grants and contracts	4,203,744	4,325,288	4,293,313	4,452,191	4,105,508
Net investment income (loss)	669,514	1,277,610	578,112	243,505	(1,069,896)
Interest on capital asset-related debt	(4,912,210)	(5,414,771)	(5,257,164)	(6,430,441)	(6,809,056)
Gain (loss) on disposal of capital assets	39,604	(618,996)	435,519	54,806	657,557
Income on sale of investments	14,252	59,447	3,685	6,745	(116,263)
Other non-operating expenses	(475,730)	(158,947)	(794,905)	(134,827)	(878,772)
Net non-operating revenues	\$ 141,905,317	\$ 131,460,650	\$ 131,322,702	\$ 128,839,832	\$ 126,696,395
Loss before other capital contributions and special item	\$ (182,836)			\$ (15,297,125)	\$ (8,934,269)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Capital contributions					
State capital appropriation				\$ 1,336,482	\$ 4,506,562
Additons to permanent endowment					\$ 25,500
Special item:					
Disposition of World Council for Gifted and Talented Students				\$ (140,231)	
<b>NET POSITION</b>					
Decrease in net position	\$ (182,836)	\$ (5,510,720)	\$ (3,441,845)	\$ (14,100,874)	\$ (4,402,207)
Net position, beginning of year	\$ 377,566,333	\$ 375,394,980	\$ 369,884,260	\$ (34,316,609)	\$ (48,417,483)
Net position, end of year	\$ 377,383,497	\$ 369,884,260	\$ 366,442,415	\$ (48,417,483)	\$ (52,819,690)

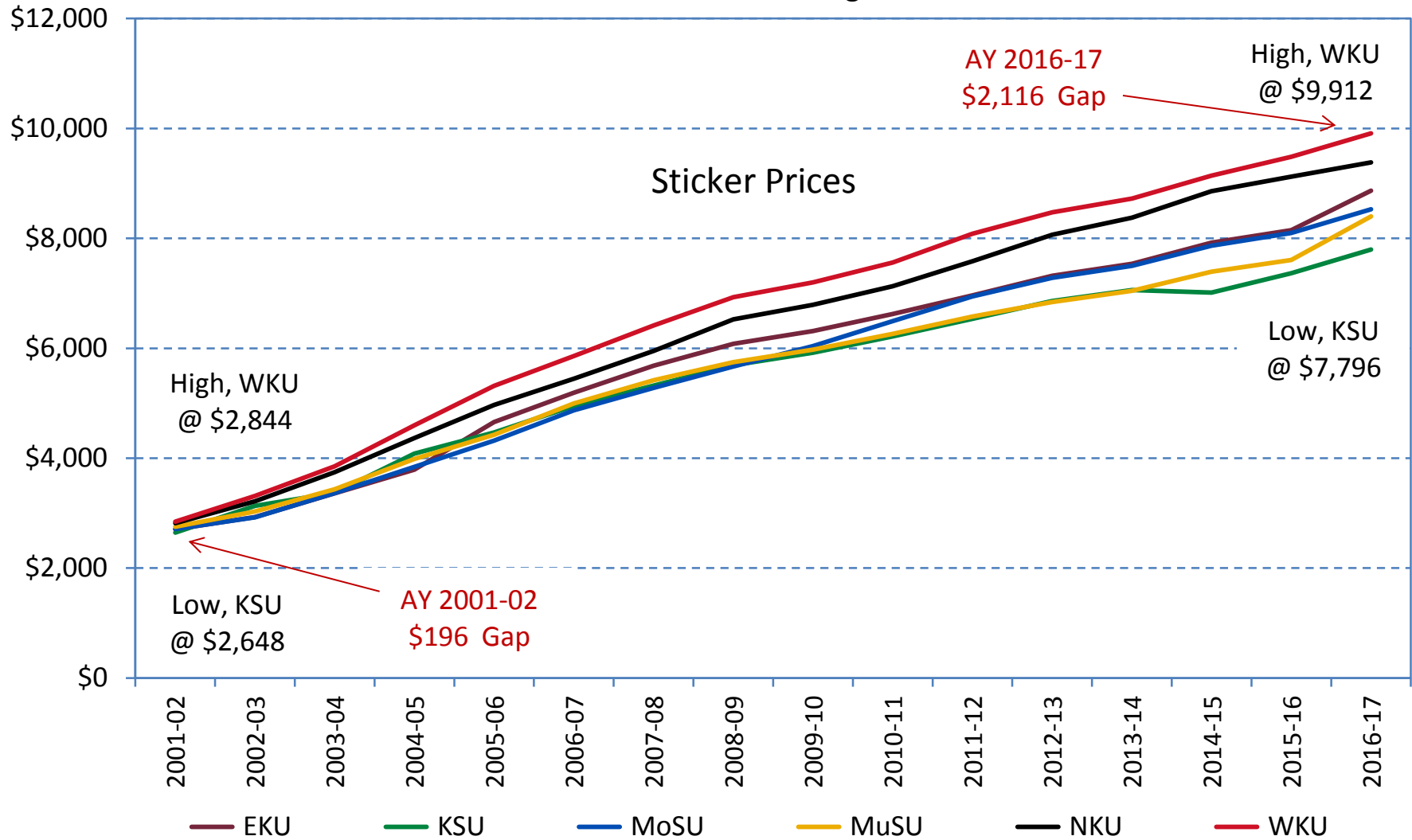
Kentucky Community and Technical College System  
 Statements of Revenues, Expenses, and Changes in Net Position

Draft - For Discussion Purposes

March 6, 2017

	2012	2013	2014	2015	2016
<b>REVENUES</b>					
Operating Revenues					
Student tuition and fees	\$ 242,969,000	\$ 238,705,000	\$ 237,230,000	\$ 234,716,000	\$ 228,008,000
Less Scholarship allowances	(136,651,000)	(154,924,000)	(153,546,000)	(129,738,000)	(134,041,000)
Net tuition and fees	\$ 106,318,000	\$ 83,781,000	\$ 83,684,000	\$ 104,978,000	\$ 93,607,000
Federal grants and contracts	42,356,000	47,541,000	47,308,000	45,420,000	41,896,000
State, local & nongovernmental grants & contracts	48,109,000	44,512,000	45,107,000	41,142,000	51,984,000
Nongovernmental grants and contracts	-	-	203,000	-	-
Indirect cost recoveries	2,395,000	2,555,000	2,615,000	2,781,000	2,879,000
Sales and services	6,283,000	6,155,000	5,522,000	5,976,000	5,402,000
Other operating revenues	5,710,000	5,239,000	3,626,000	(2,726,000)	5,654,000
Total operating revenues	\$ 211,171,000	\$ 189,783,000	\$ 188,065,000	\$ 197,571,000	\$ 201,422,000
<b>EXPENSES</b>					
Operating Expenses					
Educational and general					
Instruction	\$ 243,115,000	\$ 240,758,000	\$ 225,162,000	\$ 213,312,000	\$ 209,215,000
Public service	37,641,000	36,232,000	36,371,000	34,425,000	33,477,000
Libraries	8,077,000	7,750,000	7,490,000	7,448,000	7,010,000
Academic support	31,557,000	32,508,000	29,453,000	34,971,000	31,386,000
Student services	59,097,000	61,293,000	61,896,000	58,997,000	60,519,000
Institutional support	83,464,000	90,728,000	89,683,000	82,859,000	79,995,000
Operation and maintenance of plant	65,231,000	78,724,000	63,969,000	74,689,000	70,685,000
Depreciation	29,264,000	29,077,000	30,256,000	31,987,000	31,750,000
Student financial aid	125,416,000	92,697,000	84,395,000	99,402,000	76,719,000
Total operating expenses	\$ 682,862,000	\$ 669,767,000	\$ 628,675,000	\$ 638,090,000	\$ 600,756,000
Operating gain (loss)	\$ (471,691,000)	\$ (479,984,000)	\$ (440,610,000)	\$ (440,519,000)	\$ (399,334,000)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	\$ 200,744,000	\$ 191,456,000	\$ 191,456,000	\$ 190,162,000	\$ 186,359,000
Federal and local appropriations	1,511,000	1,294,000	72,000	-	-
Federal and state grants and contracts	238,703,000	225,691,000	217,270,000	208,478,000	189,613,000
Gifts	4,482,000	3,409,000	3,679,000	17,485,000	8,274,000
Investment income	9,178,000	10,232,000	3,389,000	1,775,000	2,445,000
Interest expense - capital leases	(945,000)	(706,000)	(873,000)	(834,000)	(1,466,000)
Other nonoperating revenues and expenses, net	10,524,000	6,612,000	6,484,000	7,556,000	5,474,000
Net non-operating revenues (expenses)	\$ 464,197,000	\$ 437,988,000	\$ 421,477,000	\$ 424,622,000	\$ 390,699,000
Net income (loss) before other revenues, expenses, gains or losses	\$ (7,494,000)	\$ (41,996,000)	\$ (19,133,000)	\$ (15,897,000)	\$ (8,635,000)
Capital construction appropriations	\$ (14,000)	\$ 23,348,000	\$ (193,000)	\$ 1,175,000	\$ 10,579,000
Net realized loss on disposal of capital assets	925,000	(682,000)	(380,000)	(186,000)	(257,000)
Additions to (reductions from) endowments	(1,067,000)	3,817,000	6,448,000	634,000	(1,872,000)
Total other revenues (expenses)	\$ (156,000)	\$ 26,483,000	\$ 5,875,000	\$ 1,623,000	\$ 8,450,000
Decrease in net position	\$ (7,650,000)	\$ (15,513,000)	\$ (13,258,000)	\$ (14,274,000)	\$ (185,000)
<b>NET POSITION</b>					
Net position, beginning of year	\$ 879,229,000	\$ 871,579,000	\$ 856,066,000	\$ 482,227,000	\$ 467,953,000
Net position, end of year	\$ 871,579,000	\$ 856,066,000	\$ 842,808,000	\$ 467,953,000	\$ 467,768,000

# Kentucky Comprehensive University Growing Dispersion of Resident Undergraduate Tuition and Fees Academic Years 2001-02 through 2016-17



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Source: Council on Postsecondary Education, Comprehensive Database.

Prices include Special Use Fees.

Kentucky Public Comprehensive University and KCTCS Institution  
 Calculation of KERS Contribution Increase Allowance  
 Fiscal Year 2017-18

<u>Institution</u>	<u>Fiscal 2011-12 KERS Employer Contributions</u>	<u>Fiscal 2016-17 KERS Employer Contributions</u>	<u>5-Year AAGR</u>	<u>Fiscal 2017-18 KERS Increase Allowance</u>
Eastern Kentucky University	5,597,129	14,379,770	20.8%	2,986,600
Kentucky State University	1,033,097	2,121,743	15.5%	328,500
Morehead State University	2,393,369	4,995,065	15.9%	791,900
Murray State University	3,091,598	6,576,466	16.3%	1,071,700
Northern Kentucky University	8,152,077	19,174,036	18.7%	3,577,100
Western Kentucky University	5,070,164	11,485,863	17.8%	2,040,800
KCTCS	4,870,055	13,242,140	22.1%	2,932,800
Group Total	30,207,489	71,975,083	19.0%	13,729,400

KERS = Kentucky Employees Retirement System

AAGR = Average Annual Growth Rate

Sources: Kentucky Retirement System Data, Fiscal Year 2011-12; Participating Postsecondary Institution, Chief Budget Officer Estimates, Fiscal Year 2016-17.