

LONGWOOD UNIVERSITY



OPERATING BUDGET AND PLAN FY 2013 – 2014

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BUDGET SUMMARY

This section provides an overview of the University's 2013-2014 operating budget. Detailed budget information is provided in the supporting tables. Highlights of the proposed plan are presented below.

- The budget is based on assumptions related to enrollment projections, revenue calculations and expenditure estimates. Revenue calculations are based on the actual FY13 credit hours plus an additional 88 in-state-undergraduate students.
- E&G undesignated funds totaling \$300,000 are included in the budget assumptions.
- The budget contributes approximately \$2.9 million to fund balances in the Auxiliary Service programs. This fund balance contribution continues a long range planning strategy for the use of these resources to accomplish future initiatives in the Auxiliary area.
- As approved by the Board of Visitors at its May 11, 2013, board meeting, tuition for Virginia undergraduates was increased by \$270, a 4.4 percent increase over last year based on a thirty-credit-hour schedule. In compliance with guidance set forth by the Governor and the General Assembly, the auxiliary student fees, and room and board charges may be increased to cover changes in inflationary costs, debt service expenses, and costs associated with base salary and benefit increases. Auxiliary fees increased by \$180. In total, allowing for the increase in tuition and the increases in fees, the cost for full-time Virginia undergraduates will increase by an average of \$878, a 4.5 percent increase.

Tuition rates for in-state graduate, out-of-state undergraduate and out-of-state graduate students were increased 4.3 to 4.5 percent to \$289, \$621 and \$799 per credit hour, respectively.

- The projected revenue budget for FY 2014 is \$109,399,905, which excludes \$4,182,842 in state appropriation for student financial assistance. The proposed expenditure budget for the total University is \$106,493,994. The budget reflects \$2,905,911 in planned contributions to auxiliary fund balances.
- The budget consists of two major components: the Educational and General Programs budget and the Auxiliary Services budget.
- The Educational and General Programs budget, which includes both general and nongeneral funding sources, is composed primarily of expenditures and revenues in the Instructional programs, as well as Sponsored Programs (grants and contracts). The total planned expenditures for FY 2014 are \$61,615,707.
- The faculty salary pool reflects a \$137,500 increase to fund faculty salary adjustments that will be effective December 25, 2013; the annual cost of this adjustment is \$360,000 including

benefits. In addition, Longwood will contribute \$29,500 in FY 2014 to fund faculty promotions.

- Funding of \$197,785 will be allocated in FY 2014 to the second round of salary adjustments for classified and administrative professional positions. These adjustments will be effective December 25, 2013. This will not be an across the board adjustment. Total annual cost of this adjustment will be \$431,530
- The second major component of the University's total budget is Auxiliary Services, which includes activities such as student housing, dining services, parking and athletics. The proposed Auxiliary Services budget for 2013-2014 is \$44,878,287. A total of \$1,906,869 will be held in reserve for proposed debt service costs associated with the new student union facility and residence hall renovations.

2013-2014 ACTIONS OF THE GENERAL ASSEMBLY

The General Assembly ended its 2013 legislative session on February 23, 2013. Major highlights of this budget are described below.

As a result of the final actions taken by the Governor and the General Assembly in the 2013 session, Longwood's total Educational and General (E&G) operating appropriation increased from \$52,646,731 to \$56,632,601 -- \$23,618,254 GF and \$33,014,347 NGF.

Longwood's FY 2014, general fund operating base increased by a net \$311,968 (.013 percent) from FY 2013. This change was specifically related to (1) \$192,426 in additional base adequacy funding, (2) faculty salaries of \$117,084, and (3) a \$2,458 adjustment related to police benefits. Longwood's FY 2014 nongeneral fund operating base increased by a net \$3,673,902 from FY 2013 as a result of a technical budget adjustment associated with our nongeneral fund revenue estimates. These changes will be reflected in our appropriation received from the State on July 1, 2013.

Required Reallocations and STEM Funding

Longwood is required to reallocate educational and general funds in the amount of \$483,749 in FY 2014 to programs and strategies that serve to advance the objectives of the Higher Education Opportunity Act of 2011. Specific programs and strategies shall be identified and progress toward achievement of objectives shall be documented within the Six-Year Plan.

Longwood may reallocate up to an additional 1.5 percent from current educational and general program funds in FY 2014 to address faculty compensation issues, operation and maintenance of new facilities or other institutional initiatives or priorities.

In FY 2012 Longwood received \$885,800 in base general fund support which was utilized to renovate an additional floor of Stevens for the nursing program. In FY 2014 the STEM funding was reallocated to SOLtice, Summer STEM REU Program, additional faculty positions and operating expenses in STEM-H related programs, including Nursing, Environmental Science, Athletic Training, Exercise Science and Communication Sciences & Disorders.

Base Adequacy Funding

The State's goal in providing base adequacy monies is to help fund the Commonwealth's restructuring goals and to keep tuition costs down. Longwood was allocated \$192,426 in base adequacy funding in FY 2014.

Financial Aid

General fund support for student financial assistance increased \$226,907, for a total of \$4,182,842.

Salary Increases

In FY 2014, a 2% salary increase was appropriated for full-time classified employees, who were employed as of April 24, 2013, and who received a rating of Contributor or Extraordinary Contributor on their last performance evaluation. The increase is to be effective July 25, 2013. Subsequent to the 2% salary adjustment, the base salary of full-time classified employees who received a rating of Contributor or Extraordinary Contributor on their last performance evaluation and who have five years of continuous state service as of July 25, 2013, will be increased by \$65 for each full year of service up to 30 years of service. Administrative Professional positions may receive a 3% salary increase effective July 25, 2013, provided they meet the requirement of satisfactory performance. Faculty positions may receive a 3% salary increase effective August 10, 2013, provided they meet the requirement of satisfactory performance. Pay for wage employees may be increased by up to 2%, with the full cost borne by the institution.

Higher Education Equipment Trust Fund

Funding for the FY 2013 and FY 2014 Equipment Trust Fund (ETF) program of \$599,263 was appropriated to Longwood in both years of the biennium.

Out-of-State Capital Fee

Out-of-state students are required to pay 100 percent of the average cost of their education. Additionally, non-resident students will pay \$23 per credit hour as a mandatory capital fee. The amount of capital fees that will be paid by the University to support state capital project debt service on bonds issued under the 21st Century Program decreased \$7,425 in FY 2014 to \$111,276.

Capital Projects

Preplanning funding was approved for a new admissions office and a new academic building that would include flexible classroom space, lab space for undergraduate research and faculty offices.

Longwood's Maintenance Reserve funding for FY 2014 is \$930,273. The funding amount was unchanged from FY 2013.

Virginia Higher Education Opportunity Act of 2011

Major legislation affecting higher education established the Virginia Higher Education Opportunity Act (also called TJ21 – Top Jobs of the 21st Century). This legislation came from the interim report of the Higher Education Reform, Innovation and Investment Commission, and codifies a number of the Commission’s recommendations, including:

- Colleges and universities should produce 100,000 new undergraduate degrees between 2011 and 2025.
- More degrees should be conferred in STEM and health-related fields.
- Universities should (1) optimize the use of physical facilities, instructional resources and technology-enhanced instruction, (2) share instructional resources, and (3) increase online learning opportunities for nontraditional students.
- The bill includes a base adequacy funding model and incorporates the 67/33 funding split (67 percent paid by state, 33 percent paid by student), the 60th percentile for faculty salaries, and includes financial aid for low and middle income families. In determining funding needs, the “cost of education” will be calculated for each institution.
- The bill recognizes the mission and contributions of each institution, including maintenance of effort, which is to be considered for individual institutions with unique missions and demonstrable performance in specific incentive areas.
- The bill requires institutions to submit a Board-approved Six-Year Plan by July 1 of each odd-numbered year. Additionally, no later than July 1 of each even-numbered year, institutions must submit amendments to or an affirmation of the previous plan. Each plan addresses the institution’s academic, financial and enrollment plans to include the number of Virginia and out-of-state students for the six-year period.

2013-2014 EDUCATIONAL AND GENERAL PROGRAM PRIORITIES

The University's 2013-2014 Educational and General budget is based on priorities that support the strategic plan. After carefully examining the revenue projection for FY 2014, funds were allocated for strategic initiatives and fixed costs increases. The recommended expenditures include funds for the following:

• Fixed Costs (Maintenance Contracts, Fuel)	\$ 272,774
• President's Contingency	\$ 300,000
• English as a Second Language Program	\$ 256,121
• Virginia Logistics Research Center	\$ 250,000
• Continuation of FY 13 Salary Adjustments	\$ 197,216
• FY 14 Staff Salary Adjustments (including benefits)	\$ 197,785
• FY 14 Faculty Salary Adjustments (including benefits)	\$ 165,000
• New Faculty Positions (2)	\$ 135,000
• International Recruitment	\$ 110,000
• FY 14 Faculty Promotions	\$ 29,500

2013-2014 AUXILIARY SERVICES PROGRAM PRIORITIES

The University's 2013-2014 Auxiliary Services budget is based on the program priorities listed below. The budget reflects a total addition of \$2.9 million to fund balances for the next fiscal year. These reserves are provided within the auxiliary budget to accomplish the program initiatives for 2013-2014, and to continue a long-range reserve balance plan. The Board approved rate and fee increases on May 11, 2013. These increases are primarily used to fund debt service requirements and athletic scholarship increases.

Auxiliary Indirect Cost Rate

The Auxiliary Services operations are charged an indirect cost recovery rate for services provided by educational and general operations (such as payroll processing, purchasing, billing services and facilities administration). The auxiliary cost study is submitted to SCHEV prior to the beginning of each biennium. The indirect cost rate for the 2012-2014 biennium is 15.87 percent. This is a .11 percent decrease from the prior biennium.

Compensation

In FY 2014, a 2% salary increase was appropriated for full-time classified employees, who were employed as of April 24, 2013, and who received a rating of Contributor or Extraordinary Contributor on their last performance evaluation. The increase is to be effective July 25, 2013. Subsequent to the 2% salary adjustment, the base salary of full-time classified employees who received a rating of Contributor or Extraordinary Contributor on their last performance evaluation and who have five years of continuous state service as of July 25, 2013, will be increased by \$65 for each full year of service up to 30 years of service. Administrative Professional positions may receive a 3% salary increase effective July 25, 2013, provided they meet the requirement of satisfactory performance. Pay for wage employees may be increased by up to 2%, with the full cost borne by the institution.

Funding of \$68,078 will be allocated in FY 2014 to the second round of salary adjustments for classified and administrative professional positions. These adjustments will be effective December 25, 2014. This will not be an across the board adjustment. Total annual cost of this adjustment is \$148,534

Housing

Housing revenue will continue to provide funds for maintenance reserve projects in the residence halls, and will provide a reserve of \$278,703 for future debt service for major repair and renovation to the facilities.

Dining

Funds are provided for a contribution to fund balances that will be used to accomplish future initiatives including maintenance and repairs on the dining hall facility. In FY 2014, the projected fund balance contribution is \$821,883.

Athletics

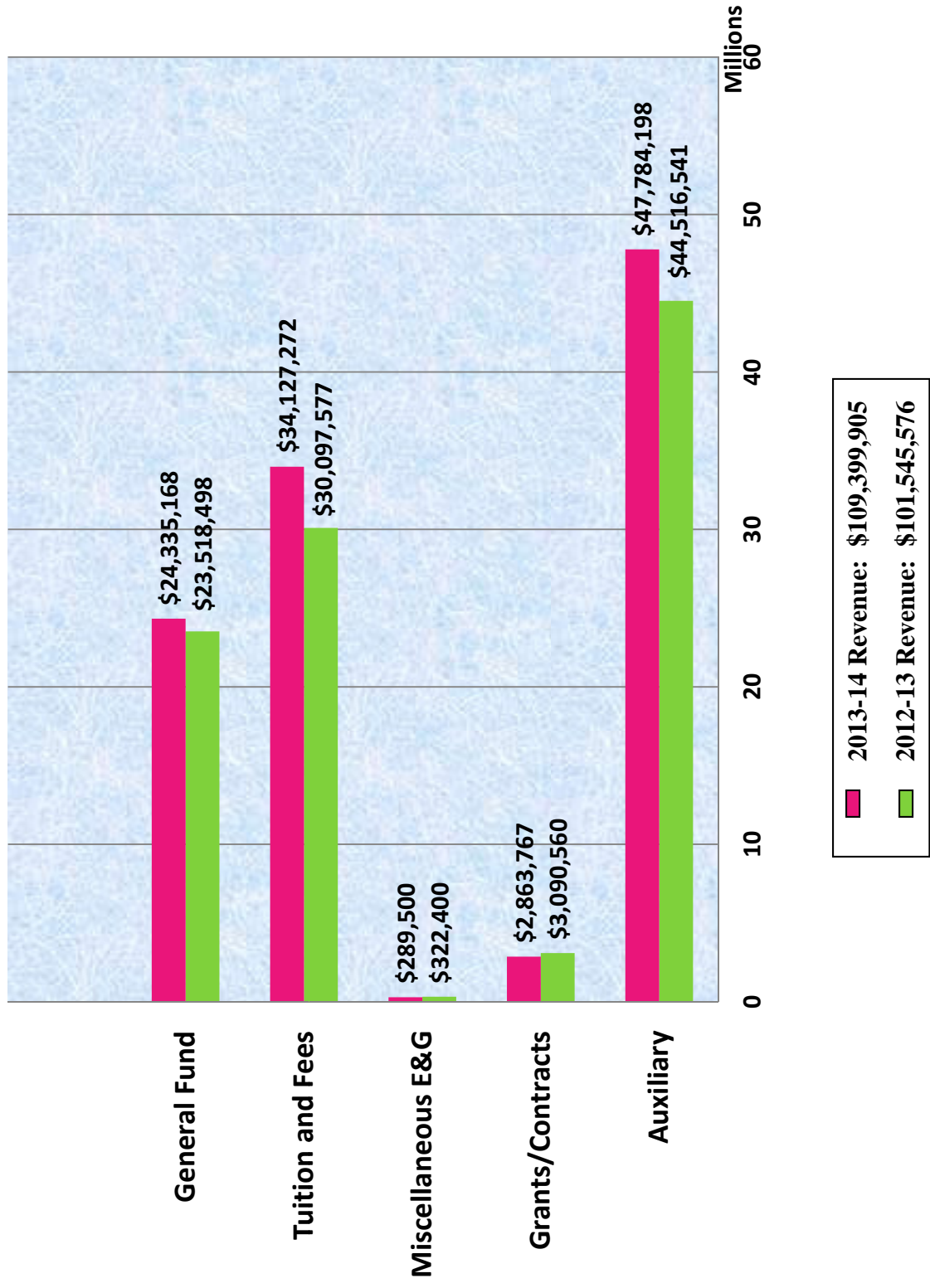
Additional funds are provided to increase scholarships by \$105,119.

Comprehensive Fee Budgets

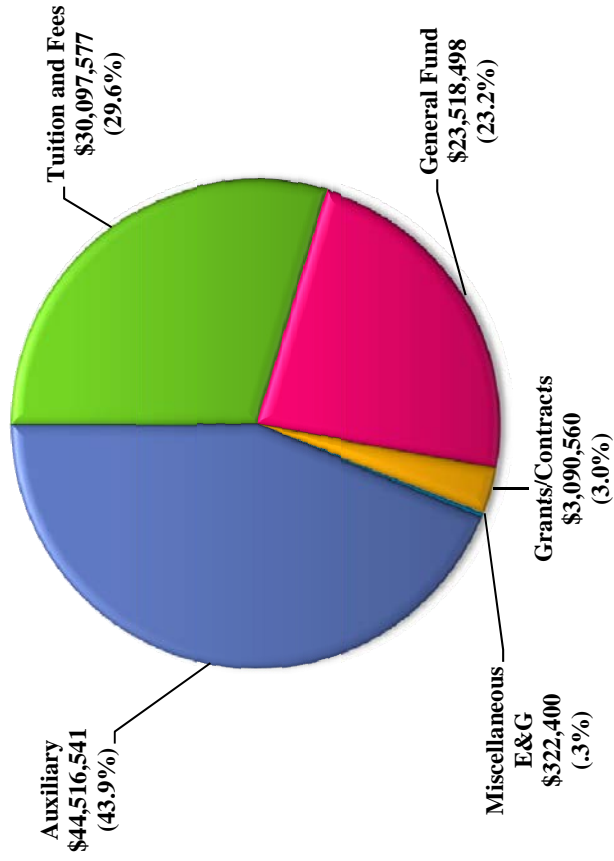
The comprehensive fee is used to support many auxiliary programs and services, including: intercollegiate athletics, recreation and intramural programs, the student union, student health and wellness services, the Farmville Area Bus services, debt service, and repair and maintenance on nongeneral fund supported facilities.

Comprehensive fee revenue will also provide funds for future debt service and contributions to fund balances that will be used to accomplish future initiatives. FY 2014 planned contributions total \$1,685,325. These reserves include \$1,628,166 for debt service and operating costs associated with the new university center facility.

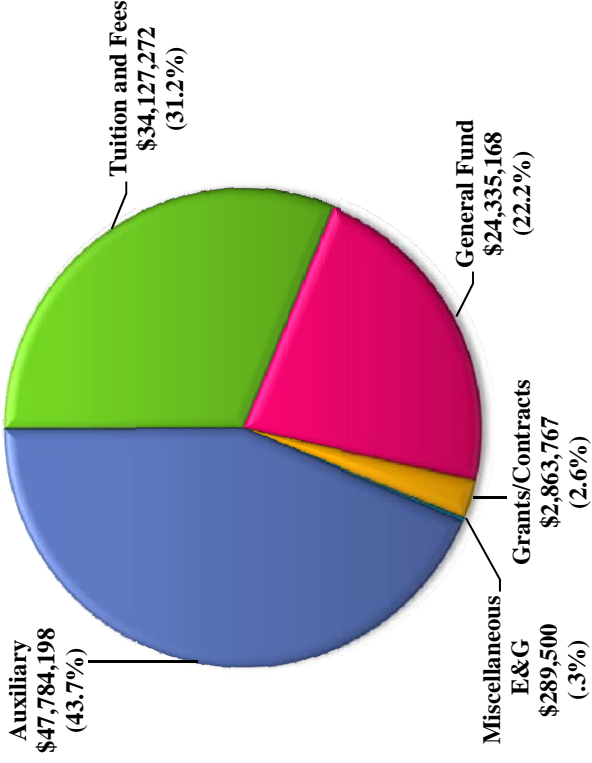
Total Revenue



Total Revenue Comparison By Category

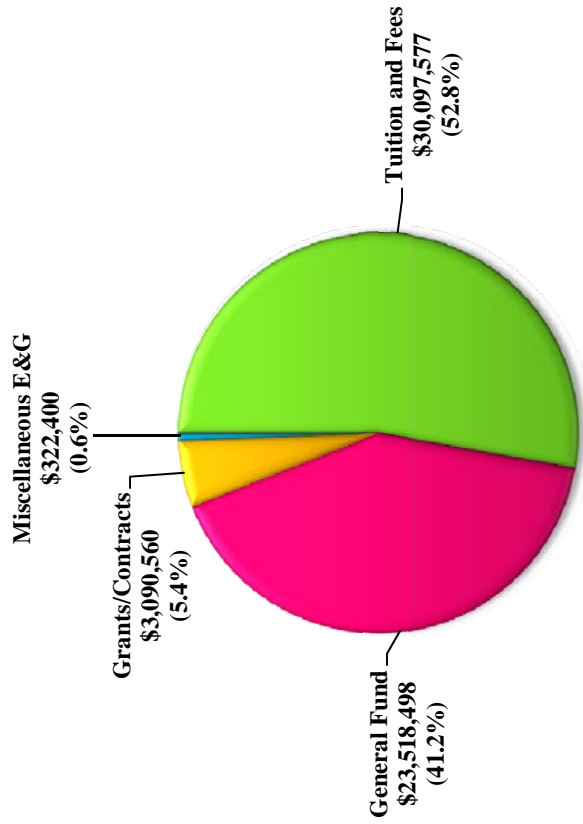


2012-13 Total Revenue: \$101,545,576

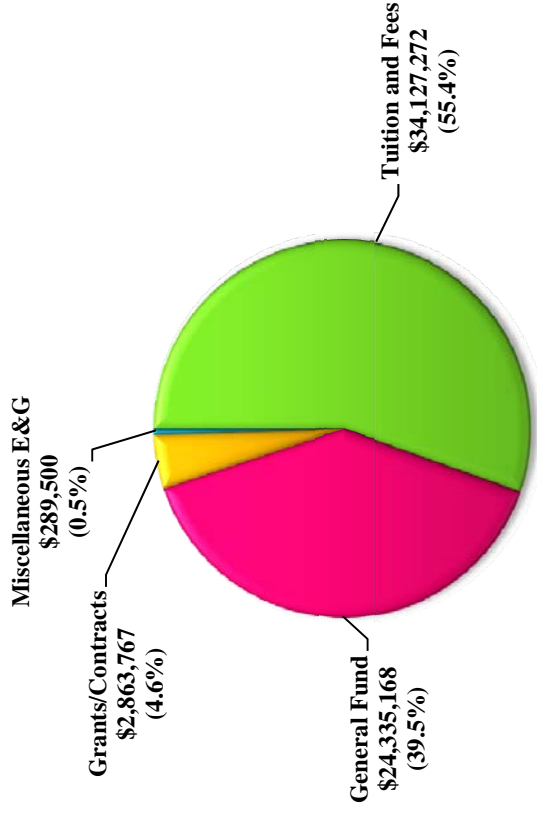


2013-14 Total Revenue: \$109,399,905

E&G Revenue Comparison By Category

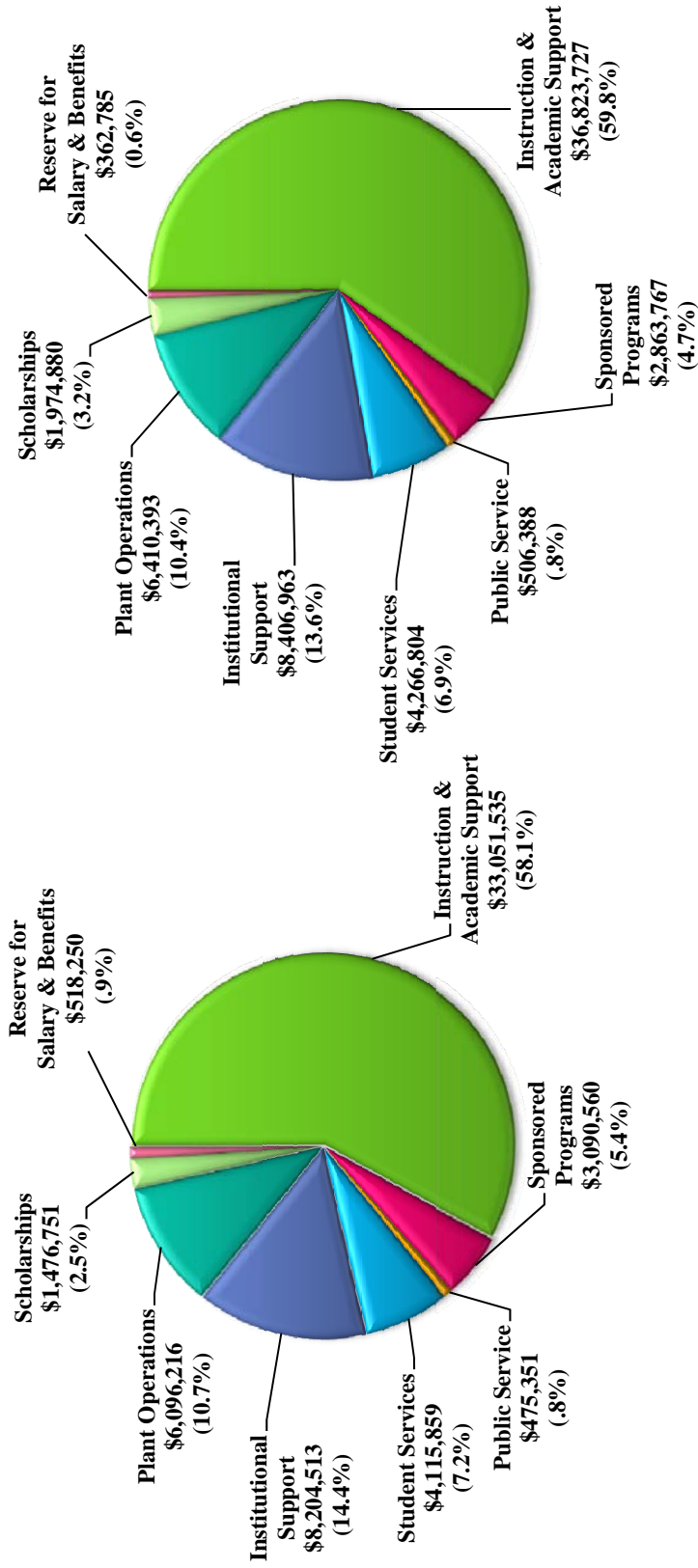


2012-13 E&G Revenue: \$57,029,035



2013-14 E&G Revenue: \$61,615,707

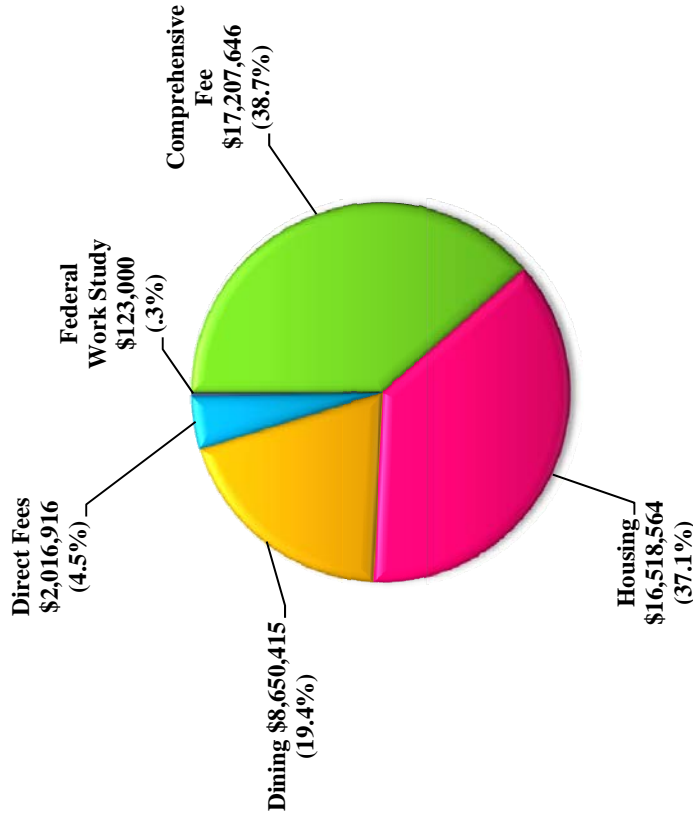
E&G Expenditure Comparison By Category



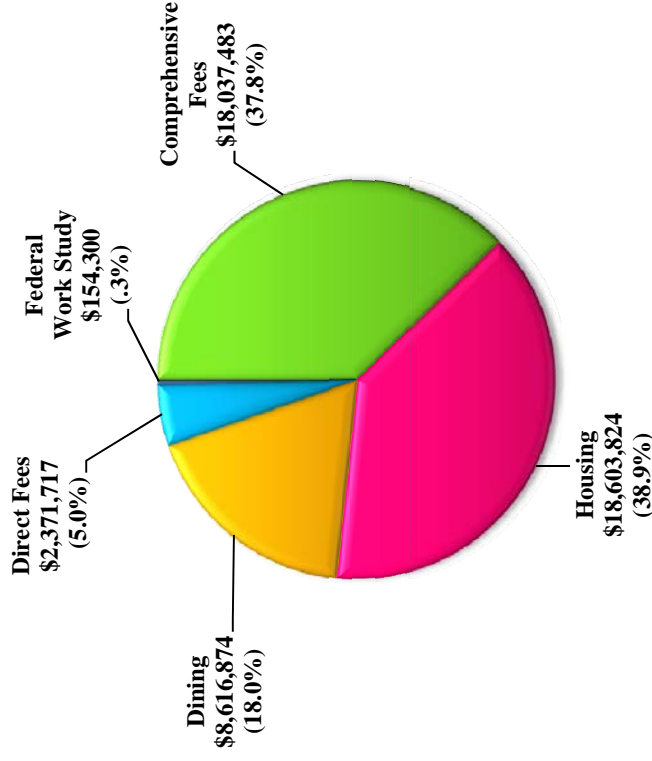
2012-13 E&G Expenditures: \$57,029,035

2013-14 E&G Expenditures: \$61,615,707

Auxiliary Services Revenue Comparison By Category

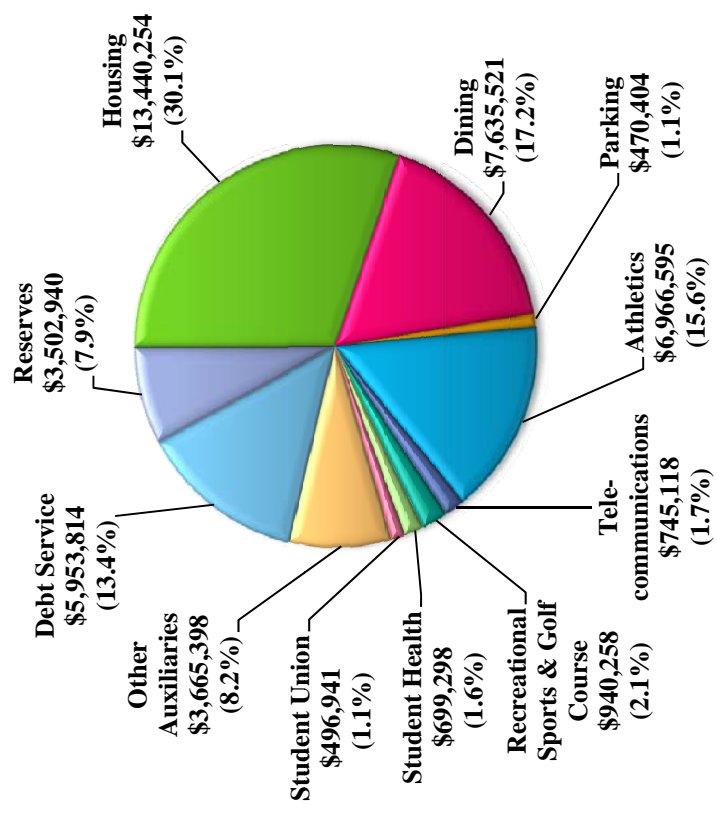


2012-13 Auxiliary Revenue: \$44,516,541

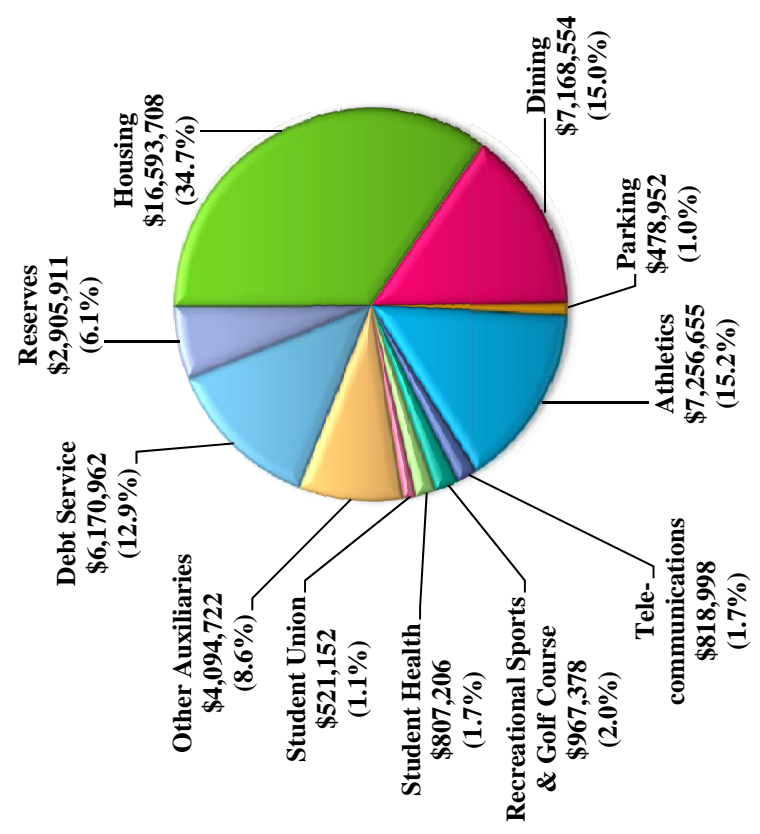


2013-14 Auxiliary Revenue: \$47,784,198

Auxiliary Services Expenditure Comparison By Category



2012-13 Auxiliary Expenditures: \$44,516,541



2013-14 Auxiliary Expenditures: \$47,784,198

**TABLE 1
REVENUE SUMMARY**

	Operating Data	
	Budget 2012-2013	Proposed 2013-2014
<u>EDUCATIONAL AND GENERAL</u>		
Tuition and Fees	30,097,577	34,127,272
Commonwealth Appropriations *	23,518,498	24,335,168
Federal Grants and Contracts	2,251,271	1,951,412
State/Local/Private Grants and Contracts	839,289	912,355
Other Sources	322,400	289,500
Total Educational and General	57,029,035	61,615,707
<u>AUXILIARY ENTERPRISES</u>		
Total Auxiliary Enterprises	44,516,541	47,784,198
<u>INSTITUTIONAL TOTAL</u>	<u>101,545,576</u>	<u>109,399,905</u>

*Appropriation excludes Higher Education Student Financial Assistance of \$3,955,935 in FY 2013 and \$4,182,842 in FY 2014. FY 2014 appropriation includes \$824,031 for estimated General Fund portion of salary and benefit cost increases.

TABLE 2
EXPENDITURE SUMMARY

Expenditure Categories	Budget 2012-2013	Proposed 2013-2014
<u>EDUCATION AND GENERAL</u>		
Instruction	25,012,225	28,564,080
Sponsored Programs	3,090,560	2,863,767
Public Service	475,351	506,388
Academic Support	8,039,310	8,259,647
Student Services	4,115,859	4,266,804
Institutional Support	8,204,513	8,406,963
Plant Operation & Maintenance	6,096,216	6,410,393
Scholarships & Fellowships*	1,476,751	1,974,880
Reserve for Salary & Benefit Increases	518,250	362,785
Total E&G Expenditures	57,029,035	61,615,707
<u>AUXILIARY ENTERPRISES</u>		
Expenditures	35,059,787	38,707,325
Transfers		
Debt Service (Mandatory)	5,953,814	6,170,962
Non-Mandatory		
Total Auxiliary Enterprises	41,013,601	44,878,287
<u>INSTITUTIONAL TOTAL</u>	98,042,636	106,493,994

*FY 2013 and FY 2014 exclude \$3,955,935 and \$4,182,842 respectively in Higher Education Financial Assistance from State Appropriations

TABLE 3
SUMMARY OF AUXILIARY SERVICES
INCOME AND EXPENDITURES

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	Budget 2012-13	Proposed 2013-14
RESIDENCE HALLS		
Direct Income	90,500	117,800
Income (Room Fees)	16,473,064	18,558,324
Expense	13,440,254	16,593,708
Debt Service (Mandatory)	1,802,924	1,803,713
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>1,320,386</u>	<u>278,703</u>
FOOD SERVICES		
Direct Sales	121,000	125,000
Income (Meal Plans)	8,595,415	8,561,874
Expense	7,635,521	7,168,554
Debt Service (Mandatory)	496,914	696,437
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>583,980</u>	<u>821,883</u>
BOOKSTORE		
Income (Sales and Contracts)	375,000	375,000
Expense	255,000	255,000
Debt Service (Mandatory)	0	0
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>120,000</u>	<u>120,000</u>
ATHLETICS		
Income (Direct Sales and Services)	249,880	249,880
Student Fees	7,770,231	8,072,157
Expense	6,966,595	7,256,655
Debt Service (Mandatory)	1,053,516	1,065,382
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>0</u>	<u>0</u>
PARKING AND TRANSPORTATION		
Income (Direct Sales and Services)	650,000	650,000
Student Fees	230,697	163,273
Expense	470,404	478,952
Debt Service (Mandatory)	334,900	334,321
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>75,393</u>	<u>0</u>
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**TABLE 3
SUMMARY OF AUXILIARY SERVICES
INCOME AND EXPENDITURES**

	Budget 2012-13	Proposed 2013-14
TELECOM SYSTEMS		
Income (Direct Sales and Services)	16,000	16,000
Student Fees	729,118	802,998
Expense	745,118	818,998
Debt Service (Mandatory)	0	0
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>0</u>	<u>0</u>
STUDENT HEALTH		
Income (Direct Sales and Services)	5,500	5,500
Student Fees	693,798	801,706
Expense	699,298	807,206
Debt Service (Mandatory)	0	0
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>0</u>	<u>0</u>
STUDENT UNION		
Income (Direct Sales and Services)	5,000	5,000
Student Fees	585,814	608,070
Expense	496,941	521,152
Debt Service (Mandatory)	93,873	91,918
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>0</u>	<u>0</u>
RECREATION AND INTRAMURALS		
Income (Direct Sales and Services)	11,000	36,000
Student Fees	1,852,405	1,854,594
Expense	685,006	697,259
Debt Service (Mandatory)	1,178,399	1,193,335
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>0</u>	<u>0</u>
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TABLE 3
SUMMARY OF AUXILIARY SERVICES
INCOME AND EXPENDITURES

	Budget 2012-13	Proposed 2013-14
GOLF COURSE		
Income (Direct Sales and Services)	100,000	100,000
Student Fees	155,252	170,119
Expense	255,252	270,119
Debt Service (Mandatory)	0	0
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>0</u>	<u>0</u>
CONFERENCES		
Income (Direct Sales and Services)	350,000	350,000
Student Fees	0	0
Expense	274,985	292,841
Debt Service (Mandatory)	0	0
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>75,015</u>	<u>57,159</u>
OTHER AUXILIARY		
Income (Direct Sales and Services)	266,536	596,337
Student Fees	5,190,331	5,564,566
Expense	3,135,413	3,546,881
Debt Service (Mandatory)	993,288	985,856
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>1,328,166</u>	<u>1,628,166</u>
TOTAL AUXILIARY ENTERPRISES		
Income (Direct Sales and Services)	2,240,416	2,626,517
Student Fees	42,276,125	45,157,681
Expense	35,059,787	38,707,325
Debt Service (Mandatory)	5,953,814	6,170,962
Non-Mandatory Transfers	0	0
Net (Contribution to Fund Balance)	<u>3,502,940</u>	<u>2,905,911</u>

Significance of Ratio

This ratio reflects the amount of expenditures, by function, as a percentage of total educational and general expenditures and mandatory transfers.

Major shifts in the various percentages may reflect a change in funding priorities.

Longwood University's Current Status

The allocation ratios for Longwood University show shifts over the last four years. The following contributed to changes in expenditure budgets:

- ❖ Instruction and Academic Support budgets increased primarily due to an additional \$437,500 allocated to the faculty salary pool for salary adjustments in FY13 and FY14, and the addition of two new faculty positions.
- ❖ Public Service growth was due to the creation of the “English as a Second Language” program.
- ❖ Institutional Support decreased as a result of the reclassification of expenses to more accurately align budget allocations with other state universities.
- ❖ Student Aid increased due to the reallocation of operating funds for Resident Technology Assistant scholarships.

Budget Allocation Ratio

Fiscal Year	2011	2012	2013	2014
Instruction and Academic Support	54.56%	55.38%	57.96%	59.76%
Public Service	0.43%	0.42%	0.83%	0.82%
Student Services	7.27%	6.97%	7.22%	6.92%
Institutional Support	19.23%	18.70%	14.39%	13.64%
Operation and Maintenance of Plant	10.27%	10.76%	10.69%	10.40%
Student Aid	2.15%	2.55%	2.59%	3.21%
Debt Service	0.79%	0.00%	0.00%	0.00%
Sponsored Programs	5.30%	5.22%	5.42%	4.65%
Reserve for Salaries & Benefits		0.00%	.90%	0.60%
Formula	<u>Expenditure Budget (by function)</u> Total Educational & General Expenditure Budget			

Significance of Indicator

This indicator reflects the amount of funds expended for Instruction and Academic Support per each full-time equivalent student.

A dramatic change in the ratio signals a shift in the funding priorities of the institution. A significant change also can accompany an enrollment increase or decline.

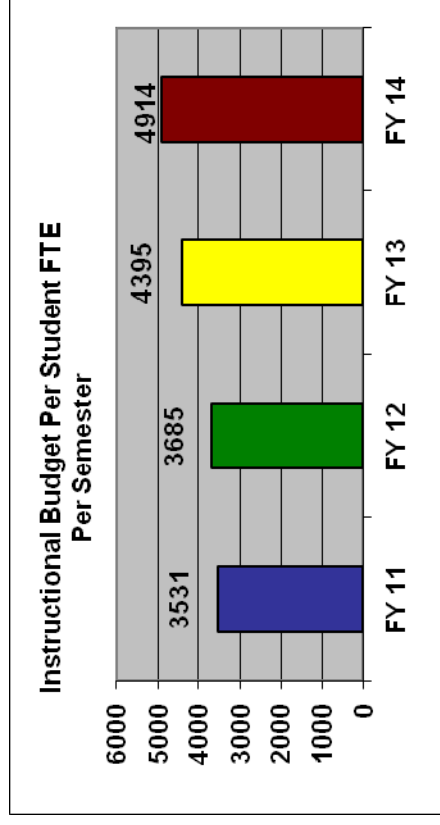
Longwood University's Current Status

FY 2012 reflects an increase of \$154 which was primarily the result of \$885,800 received in additional appropriation for STEM initiatives. Funding was also allocated for additional faculty positions based on Accreditation recommendations and nursing program growth.

In FY 2013 the upward trend continues with an increase of \$710. This increase is primarily due to five additional faculty positions and creation of the Virginia Logistics Research Center.

In FY 2014 an increase of \$519 is primarily the result of salary adjustments for faculty and staff, two additional faculty positions and continuation of funding for the Virginia Logistics Research Center.

The total annual Educational and General budget per in-state FTE is \$13,509. This excludes the amount budgeted for Sponsored Programs and State Higher Education Financial Aid.



Source: SCHEV 2B Enrollment Projections – Fall and Spring Semesters (On and Off Campus)

Formula: Instruction and Academic Support Budgets
Fall and Spring Enrollment Projections

Debt Burden Ratio

Significance of Ratio

The debt burden ratio examines the University's dependence upon borrowed funds as a means of financing its mission. It compares the level of debt service with the institution's budgeted expenditures.

Formula:
$$\frac{\text{Debt Service}}{\text{Total Expenditure Budget}}$$

A level trend or a decreasing ratio over time indicates that debt service has sufficient coverage without impinging further on other functional areas. The standard for higher education is a maximum of 7 percent, meaning that current principal and interest expense should not be greater than 7 percent of the total budget.

Although the 7 percent level is an acceptable threshold, this percentage can range between 5 percent and 10 percent. The actual percentage will vary based upon the financial strength of the institution. Institutions with greater flexibility in allocating funds will be able to take on additional debt. Longwood participates in the State bond program which is based on fixed rates. Debt is not increased without budgeting an increase in funds available to pay the financial obligations.

In March 2007, the Board of Visitors approved an increase in the debt ratio to 9 percent to facilitate the completion of nongeneral fund projects approved by the General Assembly.

Longwood University's Current Status

Longwood's Debt Service to Total Budgeted Expenditures is 5.79 percent for FY 2014. This calculation is based on scheduled debt payments for FY 2014, and total budgeted expenditures less reserves.

Longwood's actual FY 2012 debt burden ratio was 6.20 percent per audited financial statement data.

Glossary

Academic Support: Includes activities conducted to provide support services to the institution's three primary programs: instruction, research and public service. Examples include the library, deans, academic technology, academic service center and disability resources.

Appropriation: An expenditure authorization with specific limitations as to amount, purpose, and time; formal advance approval of an expenditure from designated resources available or estimated to be available.

Auxiliary Services: Activities within the University that exist to furnish goods or services directly or indirectly to students, faculty and staff. These activities charge fees directly related to, but not necessarily equal to, the cost of the service. Auxiliary services must be self-supporting.

Banner: Longwood's administrative information system that integrates Finance, Student and Human Resources modules within a single enterprise system.

Direct Sales (Auxiliary): Sales of auxiliary services, to include facility rental, bookstore income, parking decals/fines and recreation center memberships.

Educational & General (E&G): Term used to describe all operations related to the institution's educational objectives.

Full-Time Equivalent (FTE): A means for expressing part-time students or faculty as a full-time unit. The formula is generally based on credit hours. Example: An institution may define full-time as being twelve credit hours, so a student (or faculty member) taking (or teaching) three credit hours would then equal .25 FTE.

General Funds: Revenue received from the State from the collection of taxes, fees and other charges.

Grants and Contracts (Sponsored Programs): Sponsored program funds are generated through a grant or contractual agreement. Funds may be provided by state, federal, local or private entities. Sponsored program funds must be expended for the purposes outlined in the respective grant/agreement.

Indirect Costs: Fee charged to grants or contracts to pay for the use of University facilities, i.e., overhead.

Institutional Support: Activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding physical plant operations. Examples include the President, Vice-Presidents, institutional research and assessment, administrative technology, public relations, financial operations, internal audit, human resources, and safety and security.

Instruction: Includes all activities that are part of the institution's instructional program, primarily all academic departmental operations.

Mandatory Transfers: Transfers arising out of (1) binding legal agreements related to the financing of the educational plant, such as amount for debt retirement, interest and required provisions for renewals and replacements of plant, not financed from other sources, and (2) grant agreements with agencies of the federal government, donors, and other organizations to match gifts and grants to loan funds and other funds.

Miscellaneous E&G Revenues: Includes non-general fund revenues derived from the sale of goods or services that are incidental to the conduct of instruction, research or public service. Examples include revenues from facility rentals, payment plan fees, administrative fees and indirect costs.

Non-General Funds: Tuition, fees, and all other funds not received from the State. This includes grants and contracts income.

Non-Mandatory Transfers: These transfers serve a variety of objectives such as moving monies generated in auxiliary enterprise fund groups to an E&G fund group or to a capital outlay fund group for use in providing project funding.

Operation and Maintenance of Plant: This category includes the operation and maintenance of the physical plant. It includes all operations established to provide services and maintenance related to campus grounds and facilities. It also includes utilities, insurance, facilities management, custodial services, sustainability and power plant operations.

Public Service: Includes all funds expended for those non-instructional services established and maintained to provide services to the general community or special sectors within the community. Community service is concerned with making available to the public various resources and unique capabilities that exist within the institution. The Longwood Small Business Development Center is included in this category.

Restructuring: Legislation that allows institutions of higher education varying levels of decentralization in the areas of procurement, personnel and capital outlay while establishing commitments and performance measures for the institutions.

Student Fees (Auxiliary): Student dining, housing and comprehensive fees.

Student Services: Those activities whose primary purpose is to contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instruction program. Examples include academic and career advising, admissions, registration, financial aid and student success.

Tuition and Fees: Non-general funds that include all tuition and fees assessed against students for current operating purposes. Fees include application fees, registration fees, course fees and on-line fees.



LONGWOOD UNIVERSITY
ORGANIZATIONAL CHART
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