

***JAX STATE***  
*Jacksonville State University*

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Fiscal Year 2023-2024  
Adopted Budget



**FRIENDLIEST CAMPUS** *in* **the SOUTH**



# Budget Report

## FISCAL YEARS 2023 AND 2024

From the President & Chief Financial Officer

### *CAMPUS TRANSFORMATION*

*Jacksonville State University continues to be an institution with ongoing campus transformational projects. The University's reimagined campus spaces will enhance a thriving living and learning community that serves present needs, and well into the future. This vision is a result of thoughtful planning, student input, and generous support from our alumni and community.*



# Economic Outlook



## Alabama State Budget and Educational Trust Fund

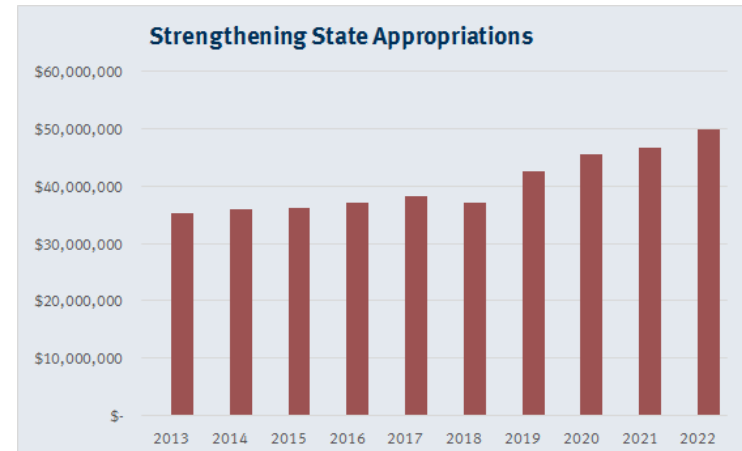
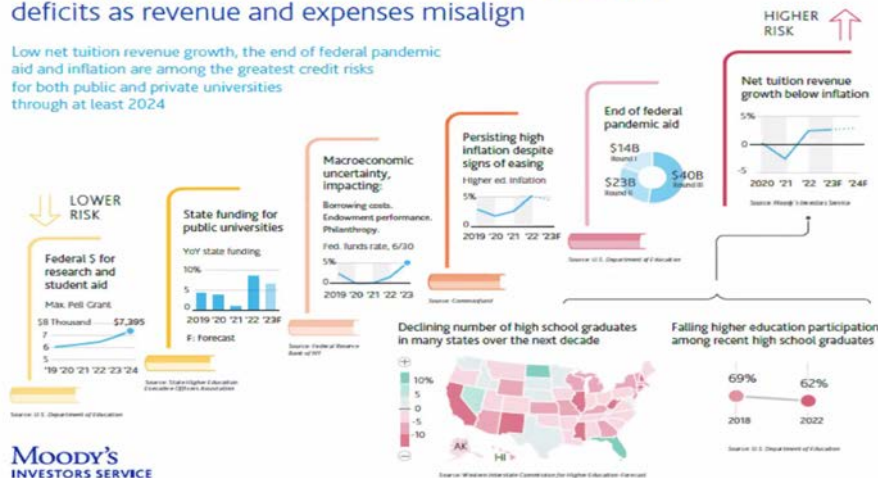
The Governor’s budget for 2023-24 is similar to the prior year's budget that it contains a significant number of appropriations for higher education. With surplus projected revenues for this year being similar to last, the State of Alabama has seen growth in both ongoing and one-time funds. While the economic outlook and revenue have improved dramatically, the same budget resiliency that helped the state through the pandemic will continue to be critical to protect programs in the future and to prepare the state for future emergencies. The forecast does not project any structural deficits in the future or appropriation prorations. Nevertheless, a return to high levels of inflation, disrupted supply chains, oil and gas prices being pressured by the war in Ukraine, and a stock market decline could impact state revenues. These risks could constrain the state’s ability to significantly continue ongoing commitments. However, the state’s Rainy Day Fund and Budget Stabilization Fund are available to partially mitigate the impact of these risks.

Source: [Moody's 2023 Higher Education Sector Developments and Trends](#)

## Sector continues to face operating stress

Growing number of US colleges and universities face deficits as revenue and expenses misalign

Low net tuition revenue growth, the end of federal pandemic aid and inflation are among the greatest credit risks for both public and private universities through at least 2024



### Fiscal Year 2024 - Economic Budget

#### Threats

- New FAFSA Process
- Continuing Federal Budget Resolutions
- Election Year
- Declining high school graduates

Jacksonville State University – Budget Book: *Fiscal Years 2023 and 2024*

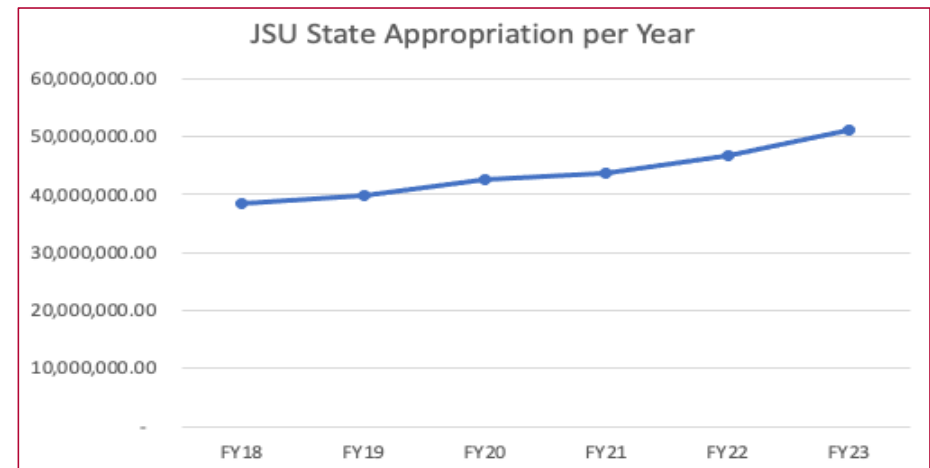
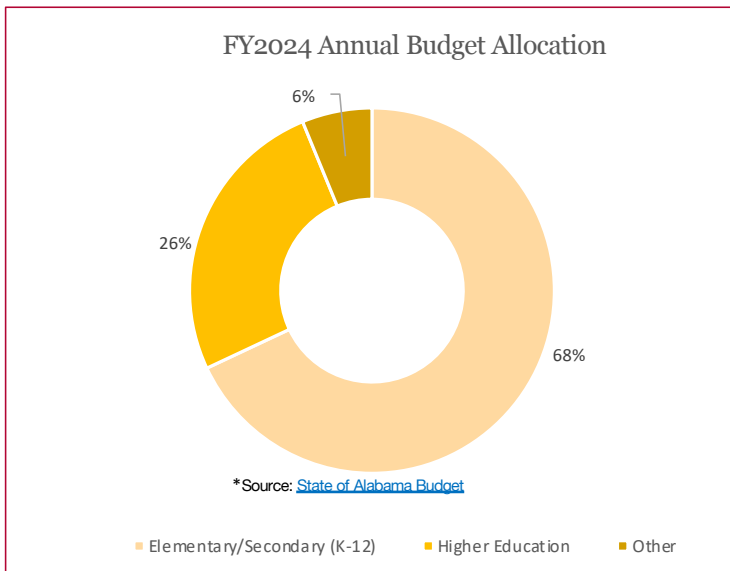


# Alabama State Education Trust Fund

## Annual Appropriation



Jacksonville State University’s (JSU) 2023-24 Adopted Budget is based on a fairly conservative budget approach. The budget was developed in alignment with the Strategic Master Plan and Annual Operating Plan utilizing the Alabama Educational Trust Fund apportionment and tuition projections.



- The FY2024 Alabama ETF budget is \$8.7 billion as of the June 2023 regular appropriation, a \$500 million (6%) increase over FY2023.
- The FY2023 Alabama ETF budget is \$11.1 billion as of the June 2023 supplemental appropriation, a \$2.1 billion (19%) increase over FY2022.

- The FY2024 ETF budget for JSU is \$53.4 million or \$2.4 million (4.7%) increase over the FY2023 regular appropriation.
- An additional earmark of \$150,000 was allocated for Correctional Professional Training.

# PLANNING & BUDGET DEVELOPMENT

FISCAL YEARS 2023 AND 2024

As Jacksonville State University (JSU) continues operationalize the recently approved [Strategic Plan](#), the university is transitioning operations from managing the significant impacts of the COVID-19 pandemic to one that looks to proactively address the campus transformation. The annual budget process provides an opportunity to assess JSU’s operations and is a key element of the overall business planning process. The Fiscal Year 2023-24 Adopted Budget was developed to sustain the university’s academic programs and support services.




**Accreditation**

- Quality Enhancement Plans (QEPs)
- Personnel to meet program standards
- Campus Classroom & Infrastructure Improvements

**Housing**

- Modernization & renovation of existing housing
- Investment in new housing & dining options





**Capital Project Completion – Total Cost of Ownership**

- Tornado Recovery project completion & closeout
- South Complex & College of Education Renovation
- Randy Owens Center for Performing Arts Construction (ROC)/Church

**Athletics**

- NCAA Plan (Conference USA)
- Stadium Expansion Project





**Fiscal Stewardship**

# Strategic Priority Investment Areas

FISCAL YEARS 2023 AND 2024

JSU’s Fiscal Year 2024 annual budget submission reflects its continued commitment to the success of its students and the employees who work to support those students as well as the long-term mission and viability of the institution. Renewed focus on a culture of compliance and utilization of best practice to effectively respond and mitigate risks. Also, dedicated to maintaining a budget for that aligns revenue with expenditures is a critical component to the fiscal health operational structure required to remain a viable institution (sustainability).

## Campus Transformation Investments

- **Investments in JSU Faculty, Staff and Students:** Investment in JSU’s faculty, staff and students (human capital) is an important university initiative.
- **Capital Projects:** JSU’s planned investments include those for the continued enhancement of several programs.
- **Investments in Infrastructure and Technology:** Investments in software platforms, data center, fiber, camera systems, and deferred maintenance/improvements to support generational equity.

### Prudent Fiscal Stewardship

- AEMA & FEMA tornado project reimbursements
- Monitoring cash flow viability based on expenditures to meet regulatory requirements
- Implement framework to replenish and increase the general unrestricted fund balance
- Utilization of existing reserves for one-time expenditures and enhanced a sustainability focus

### Overall Investments

Also, the budget reflects an average 3% COLA, the increase in base revenue, and no deficit factor. The transition to Conference USA will result in timing differences between revenue recognition and expenses. JSU remains committed to monitoring the impacts that both revenue and spending has on its balance sheet, and in turn, its credit ratings.

### Cash Flow Monitoring

On a cash, or annual budgeting view, the budget submitted is balanced. The average monthly days cash on hand metric is expected to be 115 days based on the projected expenditure level for this upcoming year but will position the university to maintain an positive financial liquidity range.

# BUDGET HIGHLIGHTS

FISCAL YEARS 2023 AND 2024

<b>Enrollment Projections</b>	First-year incoming student goals of 1940 in fall 2022 and 1815 in fall 2023 Undergraduate credit hour goals of 102,272 in fall 2022 and 106,337 in fall 2023 Graduate credit hour goals of 9,296 in fall 2022 and 9,115 in fall 2023
<b>Tuition for Enrollment Categories</b>	2.7% increase for FY23 and 3% FY24 in undergraduate graduate, and block rate categories
<b>Residence Halls</b>	\$50 increase for FY23 and 2.0% increase for FY24
<b>Meal Plan</b>	\$50 increase for FY23 and 4% increase FY24
<b>Unrestricted Gifts</b>	\$1.0 million target in FY23 and in \$403,000 FY24
<b>Investment Income</b>	\$1.0 million target in FY23 and \$600,000 in FY24
<b>Investments in Our People</b>	A continued investment in our people over two years in support of the multi-year efforts to elevate our workforce. This multi-year investment includes: COLA and restructuring employee benefits to enhance offerings.
<b>Financial Aid</b>	44.5 percent of undergraduate tuition and mandatory fees Increase in athletic scholarships with the transition to Conference USA.
<b>Other Operating Expenses</b>	A wide range of initiatives including research, diversity and inclusive excellence efforts, athletics, residence halls, student health and wellness, and programming expenses.
<b>Infrastructure Technology Capital Funding</b>	A wide range of technology initiatives including campus technology and infrastructure portfolio, lifecycle replacement, increase to support enterprise infrastructure needs, funding towards a productivity enhancement software.

## SUMMARY REVENUE AND EXPENDITURE BUDGET

FISCAL YEAR 2024 – Proposed vs Adopted

	FY24 Proposed Budget	FY24 Adopted Budget	Budget Change	% Change
<b>Revenues</b>				
Tuition and Fees	97,640	99,279	1,639	1.68%
State Appropriations *	53,428	53,428	-	0.00%
Athletics	6,288	6,288	-	0.00%
Auxiliaries	19,475	23,436	3,961	20.34%
Other	750	6,750	6,000	800.00%
Restricted Funds	5,500	5,500	-	0.00%
<b>Total Revenue</b>	<b>183,081</b>	<b>194,681</b>	<b>11,599</b>	<b>6.34%</b>
<b>Expenses</b>				
Salaries	90,609	90,609	-	0.00%
Utilities	4,438	4,438	-	0.00%
Debt Service	6,244	6,586	342	5.48%
Scholarships	30,000	30,000	-	0.00%
Insurance	3,000	3,000	-	0.00%
Other Expenses	24,540	30,825	6,284	25.61%
Auxiliaries	18,750	23,723	4,973	26.52%
Restricted Funds	5,500	5,500	-	0.00%
<b>Total Expenses</b>	<b>183,081</b>	<b>194,681</b>	<b>11,599</b>	<b>6.34%</b>

This schedule summarizes the total revenue and expenditure budgets by operating funds.

\* Includes the following earmarks:

Little River Canyon Field School	450,000	450,000
Center for Applied Forensics	500,000	500,000
Economic Development Initiative	225,000	225,000
Center for Manufacturing Support	700,000	700,000
Center for Law Enforcement Best Practices	475,000	475,000
Correctional Professional Training		150,000



# SUMMARY REVENUE AND EXPENDITURE BUDGET

FISCAL YEARS 2023 AND 2024

	FY2023 Adopted Budget	FY2024 Adopted Budget	Budget Change	% Change
<b>Revenue</b>				
Tuition and Fees	94,947	99,279	4,332	4.56%
State Appropriations *	62,309	59,428	(2,881)	-4.62%
Athletics	2,150	6,288	4,138	192.47%
Auxiliaries	19,236	23,436	4,200	21.83%
Other	2,000	750	(1,250)	-62.50%
Restricted Funds	5,500	5,500	-	0.00%
<b>Total Revenue</b>	<b>186,142</b>	<b>194,681</b>	<b>8,539</b>	<b>4.59%</b>
<b>Expenses</b>				
Salaries	87,628	90,609	2,981	3.40%
Utilities	3,613	4,438	825	22.83%
Debt Service	6,362	6,586	224	3.52%
Scholarships	30,000	30,000	-	0.00%
Insurance	2,100	3,000	900	42.86%
Other Expenses	32,939	30,825	(2,114)	-6.42%
Auxiliaries	18,000	23,723	5,723	31.79%
Restricted Funds	5,500	5,500	-	0.00%
<b>Total Expenses</b>	<b>186,142</b>	<b>194,681</b>	<b>8,539</b>	<b>4.59%</b>

This schedule represents the year over year budget projection changes.

\* Includes the following earmarks:

	-	
Little River Canyon Field School	450,000	450,000
Center for Applied Forensics	500,000	500,000
Economic Development Initiative	225,000	225,000
Center for Manufacturing Support	700,000	700,000
Center for Law Enforcement Best Practices	475,000	475,000
Correctional Professional Training		150,000



# FISCAL MANAGEMENT ROADMAP

## STRATEGIC PLAN LINKAGE - JUNE 2023

In January 2023, Jacksonville State University's Board of Trustees adopted the new Strategic Plan. The Fiscal Roadmap is being linked to the Strategic Plan to ensure alignment and collective progress.

### Strategic Plan

#### REACH

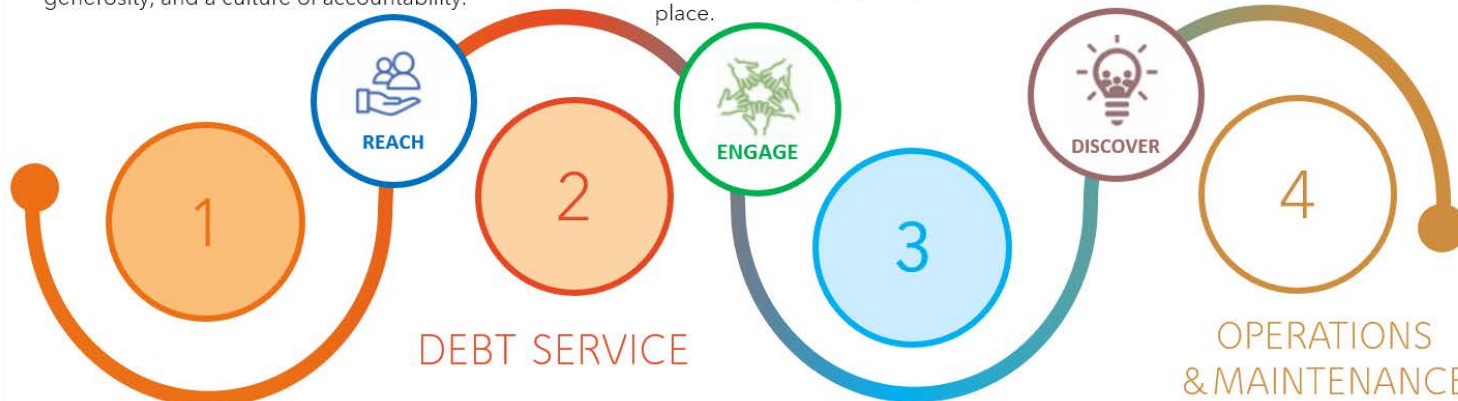
As a thriving learning community, we depend on a strong financial foundation based on diverse student enrollment, a spirit of generosity, and a culture of accountability.

#### ENGAGE

As a university, we ensure the vibrancy of our campus, community, and region through the benefit of belonging, mutual relationships, and power of place.

#### DISCOVER

As educators, we do not provide the answers. We provide the experiences, environments, and expectations that allow learners to discover the answers.



### Roadmap

#### CASH

Cash flow is defined as the amount of money entering and leaving an institution over a given period of time. Cash flow is important because it enables an institution to meet existing financial obligations as well as plan for the future.

#### DEBT SERVICE

Debt service is the cash that is required to cover the repayment of interest and principal on a debt for a particular period.

#### BUDGETING

A budget is a tool for planning, implementing, and controlling activities for optimum utilization of scarce resources. It explains the entity's objectives and the course of action it will choose to achieve its goal. This process involves planning and forecasting, implementing, monitoring and controlling, and finally evaluating the performance of the budget.

#### OPERATIONS & MAINTENANCE

Operation and maintenance actual expenses provide the educational and physical environment that enables an institution to effectively pursue teaching, research, public service, and other supporting activities.

# Budget Committee Members

Name	Subcommittee	Department	Name	Subcommittee	Department
Lyon, David	Revenue	Controller	Harmon, Arlitha (Co-Chair)	Both	Finance & Administration
Overton, Reginald	Revenue	Faculty Senate President or Designee	Hearn, Mark (Co-Chair)	Expense	Business and Industry
Hoult, Kevin	Expense	Business Services	Justin Quinn	Revenue	Development/Foundation
Lyon, Brooke	Expense	Housing & Residence Life	Bonds, Greg	Both	Athletics
Bauer Graham, John	Revenue	Library	Lindblom, Tim	Revenue	Science and Mathematic
Wiggins, Jessica (Revenue)	Revenue	AVP Enrollment Management	Robinson, Joshua (Expense)	Both	Dean of Students
Thatch, Tierra	Revenue	SGA	Johnson, Kristin	Expense	Information Technology
Hunt, Denise	Expense	Procurement & Fixed Assets	Gaddy, Tori	Revenue	Resource – Registrar
Hanvey, Ashley	Expense	Graduate Studies	Cole, Charlotte	Revenue	Resource – Financial Aid
Beezley, Paul	Expense	History	Wudarczyk, Allice	Revenue	Resource – Student Accounts

**Committee Charge:** The Budget Committee (BC) is an advisory committee under the co-leadership of the Senior Vice President of Finance & Administrative Services and appointed faculty member. All committee members are appointed by the President and include student government representatives, faculty, and administrators. The committee develops tuition recommendations and participates to the integrated budgeting development process.

## Committee Function

- Update and follow established Budget Planning Processes.
- Review process and procedures to make recommendations on the development of the budget.
- Review institutional priorities, including JSU Policies, Strategic Plan, and Program Reviews to foster integrated planning and resource allocation
- Collect budget requests and prioritize recommendations for submission to the President's Cabinet.
- Understand Accreditation Standards to ensure that the budget development process complies with the SACSCOC Accreditation Standard *Section 13: Financial and Physical Resources*.

## Composition

- Advancement/Foundation - 1 (2023-2025)
- Athletics - 1
- Auxiliary – 1
- Deans – 2
- Enrollment -1
- Faculty Senate -1
- Faculty Member -1 (2023-2025)
- Graduate Studies -1 (2023-2025)
- Graduate -1
- Finance & Administration -3
- Housing – 1
- IT -1
- Student Affairs - 1
- Student (SGA) -1

## BUDGET DEVELOPMENT PLANNING CALENDAR

### June/July

- President reviews and appoints new committee members to two-year term
- Orientation Packet to New Budget Committee Members
- Implement new or revised plans for CY budget for the beginning of Fall Term
- Review NY Budget Worksheet/Program Review Update Forms

### August/September

- New staff contracts due to HR (prior to August payroll close date)
- Budget Monitoring training to new Budget Managers
- Budget development process for NY Tentative budget begins in September
- Review Committee Charge

### October

- JSU BOT adopts Approved Budget for CY
- Budget Managers to review budget package with appropriate Administrator(s)
- Prepare the ACHE Budget Presentation (if required)
- NY Budget Worksheet sent to Budget Managers after the October BOT Meeting.
- Units submit Operational Plan reports to the Office of Institutional Research and Effectiveness (OIRE)
- Division leaders submit Strategic Plan report to the President and OIRE.

### November

- Provide departments with information to complete the Request for Purchase Form, service, or capital projects (IT, or CP&F)

### December

- Review of budget requests

### January

- Begin compiling NY expense budget requests & priorities
- Review PY reserves, revenue, & expenses after the audit report is issued (> January 15)
- Begin development of the Budget Development Premise based on the Governor's January Budget (Year 3-4 of Governor Term)

### February

- Continue review of NY Tentative budget requests & compiling of data
- New Position Requests due to PAC
- Budget Managers make revisions-based feedback, then re-submit
- Budget Plans Developed – Alternative Scenarios prepared for NY Tentative budget for Cabinet review
- Begin development of the Budget Development Premise based on the Governor's January Budget (Year 2 of Governor Term)

### March

- ETF State Budget Report Issued
- Complete NY Interim Budget
- Sustainability Report
- Begin development of the Budget Development Premise based on the Governor's January Budget (Year 1 of Governor's Term)