

Faculty Senate Chair Report  
April 7, 2021

### **Spring Forward Planning Coordinating Committee**

- Continued discussion of vaccination, emphasis on 24-lane drive through which will have preference for UofL employees on the first couple of days.
- Positivity rate has been quite low – mandatory testing for April has been lifted
- Enrollment for Fall is being closely monitored. Need clear message regarding in person or fully online – no hybrid. Following health guidelines and hope to get as many students on campus for activities this summer as is safe and possible.
- There will be in person commencement.

### **HR updates**

There are a number of changes likely in benefits. These include Health Care Plans, Wellness partner, Discovery Benefits, and Retirement Plans. Some information has been released and more will be coming in the next few weeks. The implementation of some of this has been paused to allow HR to get more feedback from faculty and staff. At the May 2021 senate meeting, Mary Elizabeth Miles (VP Human Resources) will lead an information session during our meeting

### **Shared Governance Workgroup**

Met with Jake Beamer (Director of Governance and Strategic Initiatives) and John Smith (Chair Staff Senate) to finalize initial composition of the group and to develop a general agenda for the first meeting.

### **Budge Planning the Monitoriing Committee (BPMC)**

New Funding Subcommittee received and is reviewing 46 requests

### **BoT**

Approved the following:

- Certificate in Horseracing Industry Business
- Bachelor of Arts in Computer Science
- Doctorate of Social Work
- Center for Microbiomics, Inflammation and Pathogenicity

Approved:

- Renovations to SON and SOM buildings
- Six-year capital plan
- Purchase of Research Administration system

Finance update from Dan Durbin – see attached.

### **Follett Inclusive Access *ad hoc* Committee**

Working with the provost office to finalize committee composition and to move forward.

## Last meeting follow up

At the March senate meeting as part of Jim Begany's report, holistic admissions were discussed (in terms of which majors are admitted through this process). As follow up, Jim provided the following information to me to share with the senate:

School/College and Major	2019 FTIC	Retained	Rate
<b>Arts &amp; Sciences</b>	<b>57</b>	<b>47</b>	<b>82.5%</b>
Art, track in 2-D Studios	1	1	100.0%
Art, track in Graphic Design	1	1	100.0%
Art, track in Interior Design	1	1	100.0%
Biology	6	6	100.0%
Biology, track in Molecular, Cellular, and Developmental Biology	1	1	100.0%
Communication	1	0	0.0%
Neuroscience	1	1	100.0%
Physics	2	2	100.0%
Political Science, track in Law and Public Policy	2	1	50.0%
Pre-Business	11	9	81.8%
Pre-Dental Hygiene	5	3	60.0%
Pre-Engineering	5	4	80.0%
Pre-Nursing	10	10	100.0%
Psychology	2	2	100.0%
Undecided Arts & Sciences	8	5	62.5%
<b>Business</b>	<b>3</b>	<b>3</b>	<b>100.0%</b>
Business Economics	1	1	100.0%
Finance	1	1	100.0%
Marketing	1	1	100.0%
<b>Education</b>	<b>6</b>	<b>6</b>	<b>100.0%</b>
Health & Human Performance, track in Exercise Science	3	3	100.0%
Middle and Secondary Education	1	1	100.0%
Sport Administration	2	2	100.0%
<b>International</b>	<b>1</b>	<b>0</b>	<b>0.0%</b>
<b>Music</b>	<b>1</b>	<b>1</b>	<b>100.0%</b>
<b>Public Health</b>	<b>1</b>	<b>1</b>	<b>100.0%</b>
<b>Social Work</b>	<b>1</b>	<b>1</b>	<b>100.0%</b>
<b>Grand Total</b>	<b>70</b>	<b>59</b>	<b>84.3%</b>

# **Finance Update**

**from Dan Durbin,  
Vice President for Finance &  
Administration/CFO**

**March 18, 2021**

# University of Louisville

## Overview of YTD Financial Performance Compared to Budget

### YTD 1/31/2021

- Revenues are at (or slightly better) than budgeted except for:
  - Athletics (revenue decrease was partially offset by expense reductions)
  - Foundation (less revenues are driven by less costs/expenses being reimbursed) - margin neutral
  - Research Foundation activity suppressed by \$5 mill owed by CARES funding for student aid (see note below)
  
- Expenses are mainly within budget:
  - The partial restoration of the retirement benefit will begin impacting the difference in benefits after February 1 (our monthly benefits cost will increase).
  - Decreases in salaries & wages is driven largely by the transfer of Pediatric clinical salary components to Norton.
  - Units are spending less due to limited on-campus presence and travel situation.
  
- Our net margin (revenue less expenses) is \$2.6 mill less than last year. This looks disturbing but there are a couple of items driving that negative variance that, when considered, places us positive and better than last year:
  - We disbursed approximately \$5 mill of CARES related student aid that was not reimbursed until March 5.
  - Athletics ended January with an \$8 mill YTD operating loss (they are traditionally positive). This will get worse BUT we are working on a financing arrangement to help fund their loss.
  - Athletics will have an adverse impact on our accrual based operating margin due to event occupancy restrictions. However, the borrowing arrangement will not adversely impact our cash position.
  
- Cash position remains stable & relatively sound

## Budget-to-Actual Report thru January FY 2021 versus FY 2020

Modified-Cash Basis

Revenues	FY 2021				FY 2020	Year-over-Year	
	Annual Budget	YTD January	% Realized	Status	YTD January	\$ Change	
<i>General Funds</i>							
Tuition and Fees (inc. spring billing)	325,927,672	312,506,694	95.9%	↑	303,986,162	8,520,532	2% tuition rate increase; improved fall-to-fall enrollment performance
State Appropriations	127,056,800	101,645,500	80.0%	✓	101,306,900	338,600	Improved performance funding
Transfers In	23,967,589	12,295,533	51.3%	✓	10,737,997	1,557,536	Timing of debt service transfers in (e.g., Athletics' studio)
Other Revenue	14,206,997	6,783,570	47.7%	⚠	10,023,776	(3,240,206)	\$1.5M less invest. income; Early Learning Campus; Internat. Learning
Auxiliaries	13,132,518	10,433,763	79.4%	⚠	11,597,060	(1,163,296)	Parking; Housing
Hospital-Related	9,308,327	2,603,612	28.0%	✓	5,148,405	(2,544,793)	Primarily timing-related; hospital rent
<b>General Funds Total</b>	<b>513,599,903</b>	<b>446,268,671</b>	<b>86.9%</b>	✓	<b>442,800,300</b>	<b>3,468,372</b>	
<i>Funds received in prior periods</i>	<b>3,000,000</b>	<b>0</b>			<b>0</b>		
<i>Non-General Funds</i>							
UL Research Foundation	501,106,844	335,929,061	67.0%	↑	329,609,367	6,319,694	See "Description of Notable Revenue Changes" section
UL Athletic Association	107,377,000	58,140,839	54.1%	⚠	117,745,773	(59,604,934)	Revenue decreased due to occupancy limits
UL Foundation	56,383,000	18,261,224	32.4%	⚠	24,158,794	(5,897,570)	Reduced spend policy rate for FY 2021
Other Department Funds	40,914,903	27,890,531	68.2%	✓	27,346,692	543,839	
<i>Funds received in prior periods</i>	2,538,547	0			0	0	
<b>Non-General Funds Total</b>	<b>708,320,294</b>	<b>440,221,656</b>	<b>62.2%</b>		<b>498,860,627</b>	<b>(58,638,971)</b>	
<b>Total Revenues</b>	<b>\$1,224,920,197</b>	<b>\$886,490,327</b>	<b>72.4%</b>		<b>\$941,660,926</b>	<b>(\$55,170,599)</b>	

Expenses	FY 2021				FY 2020	Change	
	Annual Budget	YTD January	% of Budget	Status	YTD January		
<i>All Funds</i>							
Salary	555,714,327	305,097,674	54.9%	↑	326,913,024	(21,815,349)	Mostly due to Peds transfer to Norton; plus reduction from furloughs
Fringe Benefits	143,439,172	69,816,976	48.7%	↑	84,285,834	(14,468,858)	No retirement benefits in July; partial in Aug.-Oct.; Peds shift to Norton's
Operating	313,684,374	219,792,360	70.1%	↑	243,196,001	(23,403,640)	See "Description of Notable Expense Changes" section
Financial Aid	133,968,819	131,045,409	97.8%	✓	126,792,454	4,252,954	
Capital Asset & Debt Service	54,099,395	14,549,295	26.9%	✓	11,765,734	2,783,561	Primarily timing-related
Utilities	24,014,110	10,241,092	42.6%	✓	10,105,245	135,846	
<b>Total Expenses</b>	<b>\$1,224,920,197</b>	<b>\$750,542,806</b>	<b>61.3%</b>		<b>\$803,058,292</b>	<b>(\$52,515,485)</b>	
<b>Revenue Over/(Under) Expenses</b>	<b>\$0</b>	<b>\$135,947,521</b>			<b>\$138,602,634</b>	<b>(\$2,655,114)</b>	

FY 2021 Budget Shown with Mitigation Actions Applied

**Status Indicators**

Better than Expected	↑
As Expected	✓
Worse than Expected	⚠

## Budget-to-Actual Report thru January

### FY 2021 versus FY 2020

Modified-Cash Basis

#### Description of Notable Revenue Changes

Revenues	Actuals (January)		Change	
	FY 2021	FY 2020		
Tuition and Fees	312,506,694	303,986,162	8,520,532	2% tuition rate increase; improved fall-to-fall enrollment performance
UL Research Foundation	335,929,061	329,609,367	6,319,694	
<i>Sponsored Research</i>	<i>75,414,333</i>	<i>75,128,434</i>	<i>285,900</i>	
<i>Pass-through financial aid</i>	<i>39,345,421</i>	<i>37,775,928</i>	<i>1,569,493</i>	
<i>CARES Act</i>	<i>1,334,270</i>	-	<i>1,334,270</i>	<i>Non-recurring funds in FY 2021</i>
<i>Clinical-related activities</i>	<i>189,960,535</i>	<i>187,954,813</i>	<i>2,005,722</i>	<i>IGT pass-through increase mostly offset by Peds clinical revenue decrease</i>
UL Athletic Association	58,140,839	117,745,773	(59,604,934)	
UL Foundation	18,261,224	24,158,794	(5,897,570)	

#### Description of Notable Expense Changes

Expenses	Actuals (January)		Change	
	FY 2021	FY 2020		
Salaries and Wages	305,097,674	326,913,024	(21,815,349)	Largely due to Peds personnel transfer to Norton's
Fringe Benefits	69,816,976	84,285,834	(14,468,858)	Retirement suspension for July; partly restored Aug.-Jan.
Financial Aid	131,045,409	126,792,454	4,252,954	Primarily CARES Act pass-through aid
Operating	219,792,360	243,196,001	(23,403,640)	
<i>ULP Support</i>	<i>106,390</i>	<i>6,177,342</i>	<i>(6,070,953)</i>	<i>ULP payments/support decreased in FY21</i>
<i>External Services</i>	<i>26,338,799</i>	<i>40,158,689</i>	<i>(13,819,890)</i>	<i>ULP contractual, among others</i>
<i>Travel</i>	<i>2,765,558</i>	<i>10,399,782</i>	<i>(7,634,224)</i>	<i>Impact of COVID-19 travel restrictions</i>
<i>Subscriptions</i>	<i>14,708,100</i>	<i>18,405,340</i>	<i>(3,697,241)</i>	<i>Partially due to lower library subscription expenses</i>
<i>Services</i>	<i>5,940,301</i>	<i>8,850,802</i>	<i>(2,910,500)</i>	
<i>Equipment</i>	<i>7,077,070</i>	<i>3,282,359</i>	<i>3,794,711</i>	
<i>Analytic Testing</i>	<i>2,774,068</i>	<i>1,311,635</i>	<i>1,462,433</i>	<i>Largely for COVID testing</i>
<i>IT equipment &amp; services</i>	<i>2,900,325</i>	<i>(1,067,265)</i>	<i>3,967,590</i>	<i>Influenced by COVID-19/online requirements; partially funded from CARES</i>

## YTD Activity by Major Unit:

### FY 2020 Actuals Thru January

	General Funds	UL Research Foundation	Athletics	Foundation	Other Dept. Funds	All Funds
<b>Revenues</b>						
Tuition and Fees	303,986,162					303,986,162
State Funds	101,306,900					101,306,900
Transfers to General Fund	10,737,997					10,737,997
Auxiliaries	11,597,060					11,597,060
Clinical (including Hospital)	5,148,405	187,954,813				193,103,218
Sponsored Agreements		75,128,434				75,128,434
Pass Through Financial Aid		37,775,928				37,775,928
Other Revenue	10,023,776	28,750,192	117,745,773	24,158,794	27,346,692	208,025,227
<b>Total Revenues</b>	<b>442,800,300</b>	<b>329,609,367</b>	<b>117,745,773</b>	<b>24,158,794</b>	<b>27,346,692</b>	<b>941,660,926</b>
<b>Expenditures</b>						
Salary	143,054,636	145,274,476	23,271,884	12,426,398	2,885,630	326,913,024
Fringe Benefits	44,417,707	33,092,968	4,281,034	2,968,546	(474,421)	84,285,834
Operating	44,212,417	125,222,015	58,056,165	10,228,956	5,476,282	243,195,835
Scholarships	61,182,167	46,418,928	12,843,904	5,673,257	674,198	126,792,454
Capital Asset plus Debt Service	15,359,243	(604)	294,046	(163,157)	(3,723,794)	11,765,734
Utilities	9,640,688	32,459	413,662	1,136	17,466	10,105,411
<b>Total Expenditures</b>	<b>317,866,857</b>	<b>350,040,241</b>	<b>99,160,695</b>	<b>31,135,137</b>	<b>4,855,361</b>	<b>803,058,292</b>
<b>Revenues less Expenses</b>	<b>124,933,442</b>	<b>(20,430,875)</b>	<b>18,585,078</b>	<b>(6,976,343)</b>	<b>22,491,332</b>	<b>138,602,634</b>

### FY 2021 Actuals Thru January

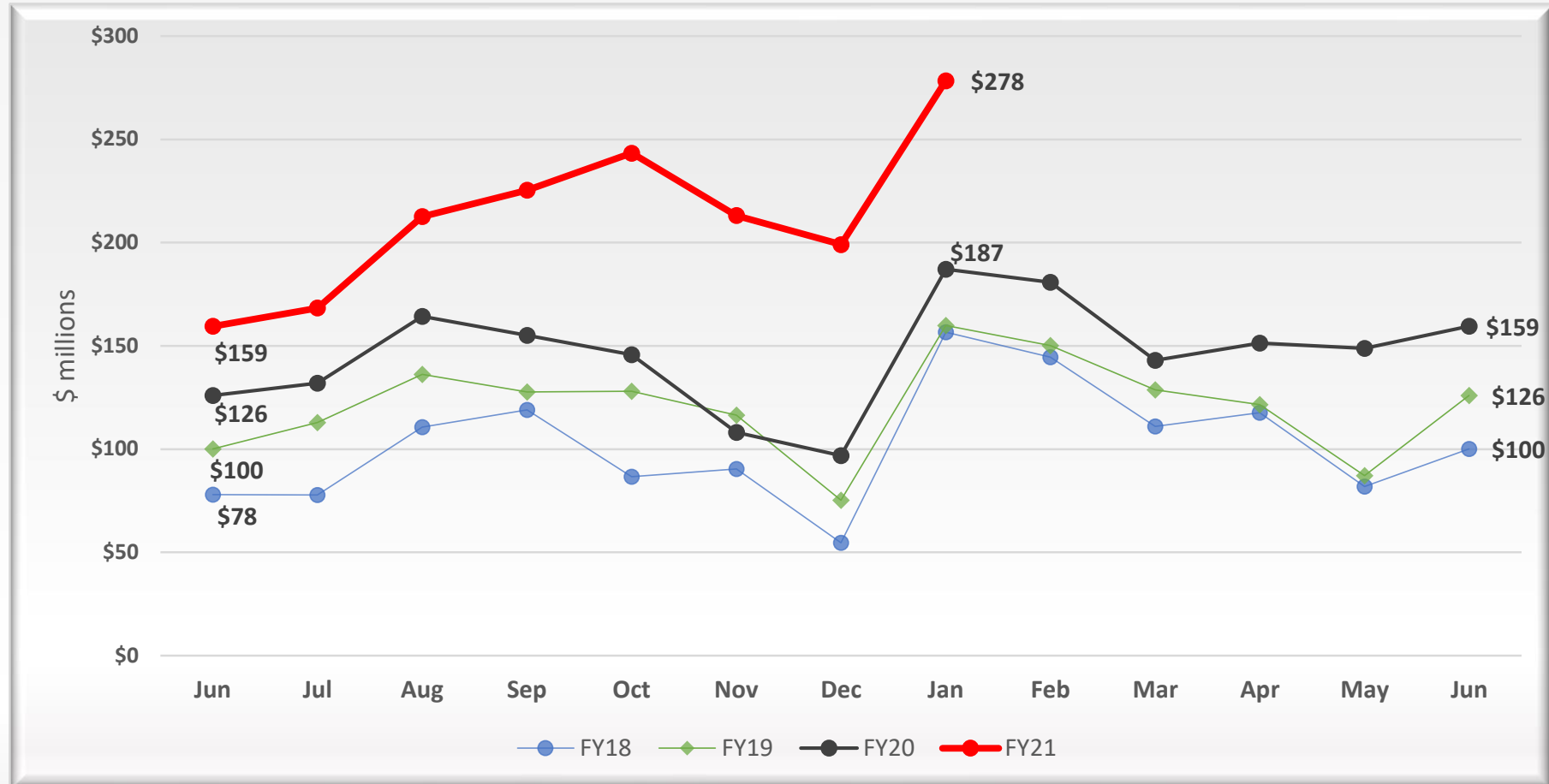
	General Funds	UL Research Foundation	Athletics	Foundation	Other Dept. Funds	All Funds
<b>Revenues</b>						
Tuition and Fees	312,506,694					312,506,694
State Funds	101,645,500					101,645,500
Transfers to General Fund	12,295,533					12,295,533
Auxiliaries	10,433,763					10,433,763
Clinical (including Hospital)	2,603,612	187,956,206				190,559,817
Sponsored Agreements		76,748,603				76,748,603
Pass Through Financial Aid		39,345,421				39,345,421
Other Revenue	6,783,570	31,878,831	58,140,839	18,261,224	27,890,531	142,954,995
<b>Total Revenues</b>	<b>446,268,671</b>	<b>335,929,061</b>	<b>58,140,839</b>	<b>18,261,224</b>	<b>27,890,531</b>	<b>886,490,327</b>
<b>Expenditures</b>						
Salary	141,591,374	130,978,393	20,536,771	9,896,294	2,094,843	305,097,674
Fringe Benefits	38,127,543	26,002,684	3,279,990	1,993,164	413,594	69,816,976
Operating	44,120,001	139,208,041	27,799,062	5,894,881	2,770,375	219,792,360
Scholarships	60,989,061	50,971,913	13,680,465	4,934,280	469,690	131,045,409
Capital Asset plus Debt Service	16,193,845	0	242,166	0	(1,886,716)	14,549,295
Utilities	9,771,628	34,694	432,613	2,158	0	10,241,092
<b>Total Expenditures</b>	<b>310,793,452</b>	<b>347,195,724</b>	<b>65,971,067</b>	<b>22,720,778</b>	<b>3,861,786</b>	<b>750,542,806</b>
<b>Revenues less Expenses</b>	<b>135,475,220</b>	<b>(11,266,664)</b>	<b>(7,830,228)</b>	<b>(4,459,553)</b>	<b>24,028,746</b>	<b>135,947,521</b>

### Change FY 2021 to FY 2020 (Thru January)

	General Funds	UL Research Foundation	Athletics	Foundation	Other Dept. Funds	All Funds
<b>Revenues</b>						
Tuition and Fees	8,520,532	0	0	0	0	8,520,532
State Funds	338,600	0	0	0	0	338,600
Transfers to General Fund	1,557,536	0	0	0	0	1,557,536
Auxiliaries	(1,163,296)	0	0	0	0	(1,163,296)
Clinical (including Hospital)	(2,544,793)	1,392	0	0	0	(2,543,401)
Sponsored Agreements	0	1,620,170	0	0	0	1,620,170
Pass Through Financial Aid	0	1,569,493	0	0	0	1,569,493
Other Revenue	(3,240,206)	3,128,639	(59,604,934)	(5,897,570)	543,839	(65,070,232)
<b>Total Revenues</b>	<b>3,468,372</b>	<b>6,319,694</b>	<b>(59,604,934)</b>	<b>(5,897,570)</b>	<b>543,839</b>	<b>(55,170,599)</b>
<b>Expenditures</b>						
Salary	(1,463,262)	(14,296,083)	(2,735,113)	(2,530,104)	(790,787)	(21,815,349)
Fringe Benefits	(6,290,164)	(7,090,284)	(1,001,043)	(975,381)	888,015	(14,468,858)
Operating	(92,416)	13,986,027	(30,257,104)	(4,334,075)	(2,705,907)	(23,403,475)
Scholarships	(193,107)	4,552,985	836,561	(738,977)	(204,508)	4,252,954
Capital Asset plus Debt Service	834,602	604	(51,880)	163,157	1,837,077	2,783,561
Utilities	130,940	2,234	18,951	1,021	(17,466)	135,681
<b>Total Expenditures</b>	<b>(7,073,406)</b>	<b>(2,844,517)</b>	<b>(33,189,628)</b>	<b>(8,414,359)</b>	<b>(993,575)</b>	<b>(52,515,485)</b>
<b>Revenues less Expenses</b>	<b>10,541,777</b>	<b>9,164,211</b>	<b>(26,415,306)</b>	<b>2,516,790</b>	<b>1,537,414</b>	<b>(2,655,114)</b>

# Liquid Cash – FY 2018 to FY 2021

(Actuals through January FY 2021)





## Update on ULAA Financial Status

- Through January ULAA has experienced an \$8 million operating deficit (expenses greater than revenues):
  - ULAA (Athletics) has been significantly impacted by event occupancy restrictions (approximately \$40 to \$50 million disruption in revenues)
- ULAA has aggressively reduced expenses to offset a significant portion of those revenue losses
- The annual operating loss could range from \$15 to \$20 million for the full year
- ULAA is in the process of securing external financing for approximately \$31 million:
  - \$11 million to refinance existing debt
  - \$20 million for working capital (to cover operating deficit)
  - Lender proposals are currently under evaluation
  - Funding anticipated to be in place in by mid-April
- The budget process for FY22 has begun:
  - Projecting revenues based on no restrictions on capacity and at 70% of FY20 ticket amounts
  - Each cost center has been provided an expense target to achieve (starting at FY21 budget less 5%)

## FY 2022 Budget Preparation Update

- Process has been underway since January
- University committees have been fully engaged throughout the entire process:
  - Budget Planning & Monitoring Committee engaged since October (for FY21 & 22 actions)
  - Tuition & Fee Committee evaluating rate options: pending forthcoming CPE guidance
  - Other subcommittees are engaged and working
- Colleges working to project credit hour enrollment and unit-based revenues & expenses (incl. Foundation)
- Timeline:
  - Revenue projections by April
  - Expense budgets by end of April
  - Board of Trustees budget workshop on 5/27
  - Board of Trustees action on budget, 6/24

University of Louisville  
Summary of COVID-19 Related Assistance

Aid Program:	Exp. Date	Purpose		Award	Expended
<b>Higher Education Emergency Relief Funds: Round 1 Awarded 5/5/2020</b>				<b>12,478,790</b>	<b>12,389,597</b>
Student Aid	5/5/2021 + 1 yr	Provide direct emergency aid to students		6,239,395	6,239,395
Institutional	5/5/2021 + 1 yr	Defray expenses due to alternative course delivery		6,239,395	6,150,202
<b>Higher Education Emergency Relief Funds: Round 2 Awarded 3/5/2021</b>				<b>20,434,285</b>	<b>6,328,588</b>
Student Aid	3/5/2022 + 1 yr	Provide direct emergency aid to students		6,239,395	6,239,395
Institutional	3/5/2022 + 1 yr	Defray expenses related to COVID including technology costs, expense reimbursement, student aid, and lost revenue		14,194,890	89,193
<b>Higher Education Emergency Relief Funds: Round 3 - NOT YET AWARDED + NO DOE RULES</b>				<b>est. 36,498,126</b>	<b>n/a</b>
Student Aid	tbd	Provide direct emergency aid to students	est.	18,249,063	n/a
Institutional	tbd	Defray expenses related to COVID including technology costs, expense reimbursement, student aid, lost revenue, monitoring & supressing COVID, and student outreach	est.	18,249,063	n/a
<b>Coronavirus Relief Fund (CRF) - State Pass Through</b>				<b>5,873,000</b>	<b>5,873,000</b>
Institutional	12/31/2020	Reimbursement of costs to support revamped operations in response to Covid		5,873,000	5,873,000
<b>Governor's Emergency Education Relief Fund - State Pass through</b>				<b>1,695,900</b>	<b>1,320,714</b>
Institutional	6/30/2021	Expansion of remote learning and support services, support operational recovery, and student mental health		1,695,900	1,320,714
Grand Total of Confirmed Awards				40,481,975	25,911,899
Grand Total of All (Including Pending)				76,980,101	

**Actions Underway:**

- Continue to identify and fund COVID-related costs from current awards (incl. contractual commitments, cleaning, testing, technology, & other)
- Identify lost revenue amounts for potential reimbursement (Housing, ELC, Athletics, Parking, Dining, & other) from newer rounds of funding

Funds received directly from the Federal Government

Funds flowing through State Government (from Federal sources)