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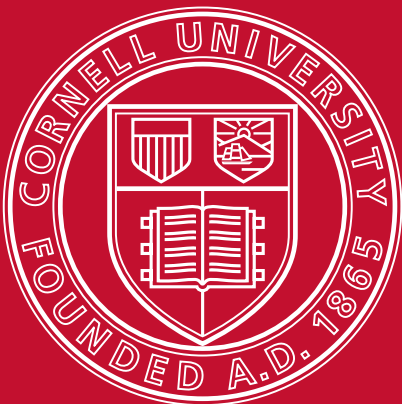
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Financial Plan

Operating and Capital

May 2009



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Composite Operating Plan

COMPOSITE OPERATING PLAN

Resources

Revenues are planned at \$2.944 billion, an increase of 2.1 percent from the 2008-09 forecast.

- **Tuition and fee** revenues are planned to increase 4.4 percent from the 2008-09 forecast based on growth in total enrollment (undergraduate, graduate, and professional) and increases in tuition rates ranging from 1 to 7.2 percent.
- **Investment resources** are projected to decrease \$3.7 million from the 2008-09 forecast as a 19.7 percent decline in distributions from endowment and other funds (due to a 15 percent decrease in the payout rate for the Long Term Investment Pool combined with reductions in invested fund balances) will be partially offset by a \$35 million withdrawal from the endowment to support undergraduate financial aid initiatives and \$20.3 million from the investment of a \$500 million taxable debt offering.
- **Unrestricted and restricted operating gifts** are expected to total \$145.8 million, a total consistent with fundraising campaign projections.
- **The direct and indirect costs of sponsored programs** are projected to reach \$550 million in 2009-10, an increase of 2.6 percent over the 2008-09 forecast. Planned research growth associated primarily with the federal government's economic stimulus package and an increase in indirect cost recovery at the Weill Cornell Medical College is expected to be offset partially by reductions in New York State funded research.
- **State appropriations** are planned at \$166.8 million, reflecting a 2.6 percent increase over the 2008-09 forecast. This amount is tentative, as Governor Paterson and the New York State Department of Budget are considering state-wide budget reductions that may affect Cornell's appropriations.

Uses of Resources

Expenditures are planned at \$2.855 billion, a decrease of 0.3 percent from the forecast for 2008-09.

- **Salaries and wages (including benefits)** are projected to decrease \$47.4 million, or 2.8 percent, from the forecast and \$30 million, or 1.8 percent from

prior year budget. Approximately \$35 million of this reduction is due to the cost of an early retirement incentive program, offset partially by growth in clinical service payments to medical faculty.

- **Undergraduate financial aid** is expected to increase 17.5 percent over the 2008-09 forecast and 25.2 percent more than budgeted for that year due to growth in tuition and related educational costs; growth in the grant-aid population; a diminished ability of parents to contribute to educational costs; and the impacts of recent financial-aid initiatives.
- **Graduate and professional financial-aid** is projected to increase 6.4 percent over the 2008-09 forecast due to increased costs of attendance.
- **General expenses** are planned to increase \$20.2 million over the forecast for 2008-09. A substantial portion of general expenses are related to the operation and maintenance of facilities and equipment. Other costs include office and laboratory supplies and insurance.

Debt Repayment

Internal debt repayment is planned to total \$113.4 million, an increase of 39.7 percent over the forecast for 2008-09. Of this amount, \$20.3 million will support the future repayment of the \$500 million in taxable debt described above, \$36.8 million represents repayment for centrally funded capital activity, \$16.2 million will support utilities infrastructure projects, and the balance represents debt repayment funded by colleges and units.

Transfers (To)/From Nonoperating Funds

Net transfers to nonoperating funds are expected to total \$35.8 million, with \$33.5 million representing non-debt financed capital projects and \$8.2 million supporting equipment renewals and replacements.

Net from Operations

This plan will produce a negative \$60.1 million **net from operations**, of which a negative \$68.6 million is due to results from the Ithaca campus. This deficit will be funded from the \$500 million taxable debt offering mentioned above as part of a multi-year plan to return the Ithaca campus to a balanced budget status.

Composite Operating Plan					
(dollars in thousands)					
	07-08	08-09	08-09	09-10	Change
	Actual	Budget	Forecast	Plan	from
					Forecast
Resources					
1. Tuition & Fees	\$666,410	\$696,034	\$695,609	\$726,391	4.4%
2. Investments					
3. Endowment & Other Funds	218,501	282,182	300,087	241,015	(19.7%)
4. Undergrad. Financial-Aid Withdrawal				35,000	
5. Pooled Balances Fund	68,104	31,600			
6. Separate Invest. Taxable Debt				20,349	
7. Unrestricted Gifts	45,426	43,435	46,308	36,710	(20.7%)
8. Restricted Gifts	122,962	108,527	114,895	109,050	(5.1%)
9. Sponsored Programs (direct)	394,876	412,387	420,251	431,605	2.7%
10. Sponsored Programs (F&A)	116,213	122,252	120,424	123,395	2.5%
11. Institutional Allowances	25,295	28,232	26,879	31,063	15.6%
12. State Appropriations	170,418	169,917	162,796	167,042	2.6%
13. Federal Appropriations	20,467	17,840	18,000	17,938	(0.3%)
14. Physician Organization (PO)	468,232	495,164	492,140	522,956	6.3%
15. NYPH (purchased services)	85,326	86,176	91,114	95,300	4.6%
16. Enterprise Sales & Services	137,395	146,532	147,019	148,952	1.3%
17. Qatar Foundation	71,593	78,467	83,989	80,453	(4.2%)
18. Educational Activities & Other Sources	176,205	160,539	163,138	156,965	(3.8%)
19. Use of One-Time Resources	29,000	41,400			
20. Subtotal In-Year Revenues	2,816,423	2,920,684	2,882,649	2,944,184	2.1%
Uses of Resources					
21. Salaries & Wages (including benefits)	1,590,768	1,684,497	1,701,761	1,654,406	(2.8%)
22. Undergraduate Financial Aid	116,769	141,765	151,000	177,351	17.5%
23. Graduate Financial Aid	136,856	132,271	129,443	137,679	6.4%
24. General Expense	710,824	722,883	737,507	757,730	2.7%
25. Qatar	71,593	78,467	83,989	80,453	(4.2%)
26. Other Expenses	49,337	42,499	60,000	47,523	(20.8%)
27. University Cost Redistribution					
28. Subtotal Expenditures	2,676,147	2,802,382	2,863,700	2,855,142	(0.3%)
29. Internal Expense on Taxable Debt				20,349	
30. Debt Repayment	71,485	76,416	81,175	93,030	14.6%
31. Subtotal Debt Repayment	71,485	76,416	81,175	113,379	39.7%
32. Net Before Transfers	68,791	41,886	(62,226)	(24,337)	(60.9%)
Transfers (To)/From Nonoperating Funds					
33. Capital Project Support	(53,336)	(22,377)	(47,625)	(33,470)	
34. Equipment Replacement	(1,342)		(6,500)	(8,196)	
35. Endowment	(20,326)	(6,683)	(6,100)	5,882	
36. Subtotal Transfers	(75,004)	(29,060)	(60,225)	(35,784)	
37. Net from Operations	(6,213)	12,826	(122,451)	(60,121)	

COMPOSITE OPERATING PLAN

Operating Plan – By Division					
(dollars in thousands)					
	Ithaca Campus	Medical College	09-10 Plan	08-09 Forecast	Change from Forecast
Resources					
1. Tuition & Fees	\$701,513	\$24,878	\$726,391	\$695,609	4.4%
2. Investments					
3. Endowment & Other Funds	195,612	45,403	241,015	300,087	(19.7%)
4. Undergrad. Financial-Aid Withdrawal	35,000		35,000		
5. Pooled Balances Fund					
6. Separate Invest. Taxable Debt	20,349		20,349		
7. Unrestricted Gifts	34,900	1,810	36,710	46,308	(20.7%)
8. Restricted Gifts	49,000	60,050	109,050	114,895	(5.1%)
9. Sponsored Programs (direct)	315,063	116,542	431,605	420,251	2.7%
10. Sponsored Programs (F&A)	79,592	43,803	123,395	120,424	2.5%
11. Institutional Allowances		31,063	31,063	26,879	15.6%
12. State Appropriations	166,846	196	167,042	162,796	2.6%
13. Federal Appropriations	17,938		17,938	18,000	(0.3%)
14. Physician Organization (PO)		522,956	522,956	492,140	6.3%
15. NYPH (purchased services)		95,300	95,300	91,114	4.6%
16. Enterprise Sales & Services	127,529	21,423	148,952	147,019	1.3%
17. Qatar Foundation		80,453	80,453	83,989	(4.2%)
18. Educational Activities & Other Sources	123,304	33,661	156,965	163,138	(3.8%)
19. Use of One-Time Resources					
20. Subtotal In-Year Revenues	1,866,646	1,077,538	2,944,184	2,882,649	2.1%
Uses of Resources					
21. Salaries & Wages (including benefits)	1,035,682	618,724	1,654,406	1,701,761	(2.8%)
22. Undergraduate Financial Aid	177,351		177,351	151,000	17.5%
23. Graduate Financial Aid	122,026	15,653	137,679	129,443	6.4%
24. General Expense	416,350	341,380	757,730	737,507	2.7%
25. Qatar		80,453	80,453	83,989	(4.2%)
26. Other Expenses	47,523		47,523	60,000	(20.8%)
27. University Cost Redistribution	(1,828)	1,828			
28. Subtotal Expenditures	1,797,104	1,058,038	2,855,142	2,863,700	(0.3%)
29. Internal Expense on Taxable Debt	20,349		20,349		
30. Debt Repayment	79,556	13,474	93,030	81,175	14.6%
31. Subtotal Debt Repayment	99,905	13,474	113,379	81,175	39.7%
32. Net Before Transfers	(30,363)	6,026	(24,337)	(62,226)	(60.9%)
Transfers (To)/From Non-Operating Funds					
33. Capital Project Support	(30,970)	(2,500)	(33,470)	(47,625)	
34. Equipment Replacement	(8,196)		(8,196)	(6,500)	
35. Endowment	886	4,996	5,882	(6,100)	
36. Subtotal Transfers	(38,280)	2,496	(35,784)	(60,225)	
37. Net from Operations	(68,643)	8,522	(60,121)	(122,451)	

Operating Plan

Details

OPERATING PLAN DETAILS

ITHACA CAMPUS

Resources

Revenues are planned at \$1.867 billion, an increase of 1.9 percent from the 2008-09 forecast.

- **Tuition and fee** revenues are planned to increase \$28.5 million, or 4.2 percent, from the 2008-09 forecast based on growth in total enrollment (undergraduate, graduate, and professional) of approximately 150 students and increases in tuition rates ranging from 1 to 7.2 percent.
- **Investment resources** are projected to increase \$4.5 million from the 2008-09 forecast as \$35 million will be withdrawn from the endowment to support undergraduate financial aid initiatives and the investment of a \$500 million taxable debt offering will produce \$20.3 million in earnings. Offsetting these partially will be a 20.6 percent decline in distributions from endowment and other funds due to a 15 percent decrease in the payout rate for the Long Term Investment Pool combined with reductions in invested fund balances.
- **Unrestricted and restricted operating gifts** are expected to total \$83.9 million, a total consistent with fundraising campaign projections.
- The **direct and indirect costs of sponsored programs** are projected to reach \$394.7 million in 2009-10, an increase of 3.3 percent over the 2008-09 forecast. Planned research growth associated primarily with the federal government's economic stimulus package is expected to be offset partially by reductions in New York State funded research.
- **State appropriations** are planned at \$166.8 million, reflecting a 2.6 percent increase over the 2008-09 forecast. This amount is tentative, as Governor Paterson and the New York State Department of Budget are considering state-wide budget reductions that may affect Cornell's appropriations.

Uses of Resources

Expenditures are planned at \$1.797 billion, a decrease of 1.9 percent from the forecast for 2008-09.

- **Salaries and wages (including benefits)** are projected to decrease \$71 million, or 6.4 percent, from the forecast and \$30 million, or 1.8 percent from

prior year budget. Approximately \$35 million of this reduction is due to the cost of an early retirement incentive program.

- **Undergraduate financial aid** is expected to increase 17.5 percent over the 2008-09 forecast and 25.2 percent more than budgeted for that year due to growth in tuition and related educational costs; growth in the grant-aid population; a diminished ability of parents to contribute to educational costs; and the impacts of recent financial-aid initiatives.
- **Graduate and professional financial-aid** is projected to increase 6.1 percent over the 2008-09 forecast, with \$5.6 million of the \$7 million growth due to increased costs of attendance.
- **General expenses** are planned to increase \$14.7 million over the forecast for 2008-09. Over 40 percent of general expenses relate to the operation and maintenance of facilities and equipment, with \$114.3 million projected for utilities, rent, and taxes and \$52.7 million for planned repairs and maintenance.

Debt Repayment

Internal debt repayment is planned to total \$99.9 million, an increase of 45.4 percent over the forecast for 2008-09. Of this amount, \$20.3 million will support the future repayment of the \$500 million in taxable debt described above, \$36.8 million represents repayment for centrally funded capital activity, \$16.2 million will support utilities infrastructure projects, and \$26.6 million represents debt repayment funded by colleges and units.

Transfers (To)/From Nonoperating Funds

Net transfers to nonoperating funds are expected to total \$38.3 million, with \$31 million representing non-debt financed capital projects and \$8.2 million supporting equipment renewals and replacements.

Net from Operations

This plan will produce a negative \$68.6 million **net from operations** for the Ithaca campus. This deficit will be funded from the \$500 million taxable debt offering mentioned above as part of a multi-year plan to return the Ithaca campus to a balanced budget status.

Ithaca Campus – Summary					
(dollars in thousands)					
	07-08	08-09	08-09	09-10	Change
Resources	Actual	Budget	Forecast	Plan	from Forecast
1. Tuition & Fees	\$645,430	\$672,793	\$673,000	\$701,513	4.2%
2. Investments					
3. Endowment & Other Funds	173,218	231,629	246,500	195,612	(20.6%)
4. Undergrad. Financial-Aid Withdrawal				35,000	
5. Pooled Balances Fund	68,104	31,600			
6. Separate Invest. Taxable Debt				20,349	
7. Unrestricted Gifts	42,364	41,574	44,500	34,900	(21.6%)
8. Restricted Gifts	61,547	46,410	53,000	49,000	(7.5%)
9. Sponsored Programs (direct)	281,889	296,590	305,000	315,063	3.3%
10. Sponsored Programs (F&A)	74,247	77,875	77,027	79,592	3.3%
11. Institutional Allowances					
12. State Appropriations	170,240	169,723	162,600	166,846	2.6%
13. Federal Appropriations	20,467	17,840	18,000	17,938	(0.3%)
14. Physician Organization (PO)					
15. NYPH (purchased services)					
16. Enterprise Sales & Services	118,402	125,499	126,000	127,529	1.2%
17. Qatar Foundation					
18. Educational Activities & Other Sources	135,002	124,666	127,000	123,304	(2.9%)
19. Use of One-Time Resources	29,000	41,400			
20. Subtotal In-Year Revenues	1,819,910	1,877,599	1,832,627	1,866,646	1.9%
Uses of Resources					
21. Salaries & Wages (including benefits)	1,015,960	1,077,132	1,106,742	1,035,682	(6.4%)
22. Undergraduate Financial Aid	116,769	141,765	151,000	177,351	17.5%
23. Graduate Financial Aid	124,692	118,058	115,000	122,026	6.1%
24. General Expense	401,301	408,396	401,680	416,350	3.7%
25. Qatar					
26. Other Expenses	49,337	42,499	60,000	47,523	(20.8%)
27. University Cost Redistribution	(1,738)	(1,775)	(1,775)	(1,828)	3.0%
28. Subtotal Expenditures	1,706,321	1,786,075	1,832,647	1,797,104	(1.9%)
29. Internal Expense on Taxable Debt				20,349	
30. Debt Repayment	59,906	63,795	68,720	79,556	15.8%
31. Subtotal Debt Repayment	59,906	63,795	68,720	99,905	45.4%
32. Net Before Transfers	53,683	27,729	(68,740)	(30,363)	(55.8%)
Transfers (To)/From Nonoperating Funds					
33. Capital Project Support	(54,953)	(19,752)	(45,000)	(30,970)	
34. Equipment Replacement	(1,342)		(6,500)	(8,196)	
35. Endowment	(20,326)	(6,683)	(6,100)	886	
36. Subtotal Transfers	(76,621)	(26,435)	(57,600)	(38,280)	
37. Net from Operations	(22,938)	1,294	(126,340)	(68,643)	

OPERATING PLAN DETAILS

Ithaca Campus – Detail								
(dollars in thousands)								
	General Purpose Budget	Agriculture & Life Sciences	Arch. Art & Planning	Arts & Sciences	Engineering	Hotel School	Human Ecology	Industrial & Labor Relations
Resources								
1. Tuition & Fees	\$364,390	\$107,250	\$4,765	\$100	\$16,697	\$37,897	\$38,048	\$28,453
2. Investments								
3. Endowment & Other Funds	83,596	15,012	1,844	8,309	8,913	2,596	3,294	1,619
4. Undergrad. FA Withdrawal								
5. Pooled Balances Fund								
6. Separate Invest. Taxable Debt								
7. Unrestricted Gifts	12,370	6,350	219	2,394	2,800	808	610	741
8. Restricted Gifts		13,958	33	2,390	2,783	1,668	409	1,023
9. Sponsored Programs (direct)		78,500	176	20,559	47,198		15,424	6,618
10. Sponsored Programs (F&A)	46,449	15,518					3,680	1,839
11. State Appropriations	16,740	60,194				100	8,707	11,159
12. Federal Appropriations		10,340					3,594	
13. Enterprise Sales & Services								
14. Educ. Activities & Other Sources	6,695	15,778	1,052	1,677	2,422	15,659	1,290	9,760
15. Inter-Unit Revenue Transfers	<u>18,395</u>	<u>4,873</u>	<u>1,119</u>	<u>1,533</u>	<u>4,471</u>	<u>(2,627)</u>	<u>(1,893)</u>	<u>(1,744)</u>
16. Subtotal In-Year Revenues	548,635	327,773	9,208	36,962	85,284	56,101	73,163	59,468
17. General Purpose Allocations	(781,121)	699	13,258	129,230	52,503			256
18. Total Resources	(232,486)	328,472	22,466	166,192	137,787	56,101	73,163	59,724
Uses of Resources								
19. Salaries & Wages (incl. benefits)		164,901	14,836	130,667	98,451	30,912	35,186	27,693
20. Undergrad. Financial Aid		2,100	88	186	179	140	618	240
21. Graduate Financial Aid		16,876	2,082	18,339	7,358	192	3,782	2,419
22. General Expense		62,006	3,468	15,038	22,303	8,867	9,676	11,814
23. Purchased Services		377	936	343	1,340	1,234	2,866	1,799
24. Repairs & Maintenance		224	685	277	1,180	842	310	49
25. Utilities, Rent & Taxes		2,483	1,157	37	310	1,705	170	1,486
26. Inter-Dept. Expense Distrib.		(122)	(53)	(386)	(1,949)	(64)	(5)	(3)
27. Other Expenses		<u>5,347</u>		<u>5,832</u>	<u>5,696</u>	<u>250</u>	<u>151</u>	<u>522</u>
28. Subtotal Expenditures		254,192	23,199	170,333	134,868	44,078	52,754	46,019
29. Accessory Instruction	1,339	3,565				(2,284)	1,468	712
30. Administrative & Support	(112,837)	43,900				6,762	10,600	8,600
31. Financial Aid	<u>(34,273)</u>	<u>20,408</u>				<u>3,547</u>	<u>7,372</u>	<u>5,363</u>
32. Subtotal Univ. Cost Redistrib.	(145,771)	67,873				8,025	19,440	14,675
33. Internal Expense on Taxable Debt								
34. Debt Repayment		<u>357</u>	<u>210</u>	<u>350</u>	<u>109</u>	<u>2,552</u>	<u>311</u>	<u>181</u>
35. Subtotal Debt Repayment		357	210	350	109	2,552	311	181
36. Net Before Transfers	(86,715)	6,050	(943)	(4,491)	2,810	1,446	658	(1,151)
Transfers (To)/From Non-Operating Funds								
37. Capital Project Support		(3,697)			(2,704)		(1,000)	
38. Equipment Replacement		(50)			(457)			
39. Endowment		<u>(1,405)</u>		(30)				<u>(22)</u>
40. Subtotal Transfers		(5,152)		(30)	(3,161)		(1,000)	(22)
41. Net from Operations	(86,715)	898	(943)	(4,521)	(351)	1,446	(342)	(1,173)

OPERATING PLAN DETAILS

Johnson School	Law School	Veterinary Medicine	Research Centers	Other Academic Programs	Centrally Recorded Financial Aid	Student Services	Administrative & Support	Physical Plant	Ithaca All Other	Total Ithaca Campus
\$42,960	\$32,161	\$14,165		\$14,627						\$701,513
5,053	5,100	7,227	692	14,937	32,711	1,695	569	2,445		195,612
					35,000					35,000
									20,349	20,349
2,049	1,523	2,200		1,232	1,275	86			243	34,900
3,307	1,016	2,800	1,353	4,590	2,984	1,785			8,901	49,000
58	182	37,000	85,424	12,950	6,196	232	546		4,000	315,063
		10,612					(6)		1,500	79,592
120	61	30,544		3,920	105		528	32,575	2,093	166,846
		540		3,444			20			17,938
				983		96,191	24,626	5,729		127,529
1,008	366	23,864	3,977	20,944		9,609	3,690	5,513		123,304
(4,119)	(4,804)	(1,083)	6,540	(293)	774	878	(25,346)	3,326		
50,436	35,605	127,869	97,986	77,334	79,045	110,476	4,627	49,588	37,086	1,866,646
	386		6,920	74,247	135,745	30,155	200,611	137,111		
50,436	35,991	127,869	104,906	151,581	214,790	140,631	205,238	186,699	37,086	1,866,646
32,183	20,032	71,091	55,493	85,287	36	64,945	143,435	74,184	(13,650)	1,035,682
20			26	103	173,245	406				177,351
6,927	5,624	7,586	1,365	5,208	44,053	99	116			122,026
7,866	3,871	30,941	46,792	40,462		35,171	55,480	31,599	650	386,004
1,394	658	2,092	191	2,479		3,503	14,275	2,710		36,197
322	533	1,621	422	1,752		6,937	4,264	33,293		52,711
3,413	663	1,203	7	748		13,480	3,382	84,081		114,325
(13)	(5)	(5,274)	(5,990)	(2,528)		(9,210)	(21,717)	(125,568)		(172,887)
130	334	3,667	8,131	15,922		311	861	369		47,523
52,242	31,710	112,927	106,437	149,433	217,334	115,642	200,096	100,668	(13,000)	1,798,932
(4,500)	(300)									
5,456	4,054	15,200		76		6,862	3,971	5,528		(1,828)
		49		78	(2,544)					
956	3,754	15,249		154	(2,544)	6,862	3,971	5,528		(1,828)
									20,349	20,349
460		1,707		1,149		14,862	634	56,674		79,556
460		1,707		1,149		14,862	634	56,674	20,349	99,905
(3,222)	527	(2,014)	(1,531)	845		3,265	537	23,829	29,737	(30,363)
						(500)		(23,069)		(30,970)
(500)	(13)	(470)	(423)	(382)		(3,153)	(926)	(1,822)		(8,196)
2,910		39		(631)		25				886
2,410	(13)	(431)	(423)	(1,013)		(3,628)	(926)	(24,891)		(38,280)
(812)	514	(2,445)	(1,954)	(168)		(363)	(389)	(1,062)	29,737	(68,643)

MEDICAL COLLEGE

Resources

Revenues for the Joan and Sanford I. Weill Medical College and Graduate School of Medical Sciences are projected at \$1.078 billion, an increase of 2.6 percent over the forecast for 2008-09.

- **Tuition and fees** are budgeted to increase 10 percent in 2009-10. Medical College tuition will increase 7 percent for first- through third-year students and 5 percent for fourth-year students. Tuition for the Graduate School of Medical Sciences will increase 3.5 percent. A slight increase in enrollments is also projected.
- **Restricted gifts** are expected to total \$60.1 million in 2009-10, a 3 decrease from the forecast. The planned amount includes an anticipated 7 percent decline in annual giving as well as new gifts to support new faculty and programs for the Strategic Plans for Advancing the Clinical Mission and “Discoveries That Make a Difference.”
- **Direct costs** of grants and contracts for **sponsored programs** are expected to total \$116.5 million, a 1.1 percent growth over the 2008-09 forecast, reflecting the potential increase in research funding resulting from the federal stimulus plan. **Recoveries for facilities and administrative costs (F&A)** from **sponsored programs** are projected to increase 0.9 percent due to growth in direct costs and a one percentage point increase in the on-campus federal F&A rate to 69 percent.
- Revenues from the **Physician Organization (PO)** are projected at \$523 million, and include expected growth in receipt volume in several clinical initiatives introduced as components of the Strategic Plan and continued growth in established practices and various specialty divisions.
- Revenues for services purchased by the **New York Presbyterian Hospital (NYPH)** are expected to total \$95.3 million, \$4.2 million greater than the 2008-09 forecast. These services include professional costs related to hospital service and supervision and training of NYPH residents.
- Funding from the **Qatar Foundation** includes \$78.6 million to operate the Weill Medical School in Qatar and \$1.8 million in support of research infrastructure in Qatar.

Uses of Resources

Expenditures are planned at \$1.058 billion, an increase of 2.6 percent over the forecast for 2008-09.

- Expenditures for **salaries and wages (including benefits)** are expected to increase 4 percent in 2009-10, reflecting primarily growth in clinical service payments to faculty. The plan includes no increase in merit awards to faculty and staff whose compensation exceeds \$125,000. The benefit rate for faculty and exempt and non-exempt staff is expected to remain at 29.6 percent.
- **Graduate financial-aid** costs—which include support for the Medical School, Tri-Institutional MD/PhD, and Graduate School programs—are projected to increase 8.4 percent, as more students are expected to qualify for financial aid due to the current economic recession.
- **General expenses** are expected to total \$341.4 million, a 1.7 percent increase from 2009-10. This category includes rent, facility costs, insurance, and laboratory and general operating supplies.
- Expenditures for the **Medical School in Qatar** are planned to decrease 4.2 percent as a slight growth in Medical School operating costs will be offset by a decrease in support for research infrastructure.

Debt Repayment

Debt service payments are expected to increase 8.2 percent in 2009-10, reflecting continued borrowings for the expansion of the “E” Building and renovations of the RARC sites in the “S” and Main Buildings.

Transfers (To/From) Nonoperating Funds

Transfers of \$5 million are expected from departmental reserves to partially mitigate the decrease in endowment payout. Transfers to plant fund reserves of \$2.5 million represent capital acquisitions and renovations by the Physician Organization.

Net from Operations

This plan will produce an \$8.5 million **net from operations**, reflecting a \$7.1 million surplus in the Physician Organization and balanced operations in

Medical College					
(dollars in thousands)					
	07-08	08-09	08-09	09-10	Change
Resources	Actual	Budget	Forecast	Plan	from Forecast
1. Tuition & Fees	\$20,980	\$23,241	\$22,609	\$24,878	10.0%
2. Investments					
3. Endowment & Other Funds	45,283	50,553	53,587	45,403	(15.3%)
4. Undergrad. Financial-Aid Withdrawal					
5. Pooled Balances Fund					
6. Separate Invest. Taxable Debt					
7. Unrestricted Gifts	3,062	1,861	1,808	1,810	0.1%
8. Restricted Gifts	61,415	62,117	61,895	60,050	(3.0%)
9. Sponsored Programs (direct)	112,987	115,797	115,251	116,542	1.1%
10. Sponsored Programs (F&A)	41,966	44,377	43,397	43,803	0.9%
11. Institutional Allowances	25,295	28,232	26,879	31,063	15.6%
12. State Appropriations	178	194	196	196	
13. Federal Appropriations					
14. Physician Organization (PO)	468,232	495,164	492,140	522,956	6.3%
15. NYPH (purchased services)	85,326	86,176	91,114	95,300	4.6%
16. Enterprise Sales & Services	18,993	21,033	21,019	21,423	1.9%
17. Qatar Foundation	71,593	78,467	83,989	80,453	(4.2%)
18. Educational Activities & Other Sources	41,203	35,873	36,138	33,661	(6.9%)
19. Use of One-Time Resources					
20. Subtotal In-Year Revenues	996,513	1,043,085	1,050,022	1,077,538	2.6%
Uses of Resources					
21. Salaries & Wages (including benefits)	574,808	607,365	595,019	618,724	4.0%
22. Undergraduate Financial Aid					
23. Graduate Financial Aid	12,164	14,213	14,443	15,653	8.4%
24. General Expense	309,523	314,487	335,827	341,380	1.7%
25. Qatar	71,593	78,467	83,989	80,453	(4.2%)
26. Other Expenses					
27. University Cost Redistribution	1,738	1,775	1,775	1,828	3.0%
28. Subtotal Expenditures	969,826	1,016,307	1,031,053	1,058,038	2.6%
29. Internal Expense on Taxable Debt					
30. Debt Repayment	11,579	12,621	12,455	13,474	8.2%
31. Subtotal Debt Repayment	11,579	12,621	12,455	13,474	8.2%
32. Net Before Transfers	15,108	14,157	6,514	6,026	(7.5%)
Transfers (To)/From Non-Operating Funds					
33. Capital Project Support	1,617	(2,625)	(2,625)	(2,500)	
34. Equipment Replacement					
35. Endowment				4,996	
36. Subtotal Transfers	1,617	(2,625)	(2,625)	2,496	
37. Net from Operations	16,725	11,532	3,889	8,522	

Capital Plan

Including Individual Project Budgets

Sources and Uses of Capital Expenditures

Sources	To Date	09-10	10-11	11-12	12-13	13-14	Beyond	Total
Ithaca General Purpose Funds (1)	13,712	29,278	27,204	26,947	29,126	29,253	33,780	189,300
WMC General Purpose Funds (1)	7,527	836						8,363
Gifts In Hand	26,438	16,965	6,651					50,054
Gifts Pledged	377	5,526	4,275	195				10,373
Gifts to be Raised	1,184	1,624	2,933	386				6,127
Ithaca Gift Funds (2)	27,999	24,115	13,859	581				66,554
Gifts In Hand	71,723	46,000	130,000	7,000				254,723
Gifts Pledged				23,000	7,000	2,000	3,000	35,000
Gifts to be Raised	1,944	9,415	7,650	22,000	31,000			72,009
WMC Gift Funds (2)	73,667	55,415	137,650	52,000	38,000	2,000	3,000	361,732
Unit Funds (3)	9,984	16,808	13,360	6,461	3,550	2,012	1,700	53,875
Enterprise Funds (4)	5,367	11,818	12,145	16,729	14,720	9,020		69,799
WMC Enterprise Funds (4)		6,500	8,670	3,000				18,170
SUCF Capital (5)	70,287	87,481	96,981	65,650	52,100	66,810	77,680	516,989
Other NYS (6)	31,700	41,109	2,535					75,344
Total New York State Funds	101,987	128,590	99,516	65,650	52,100	66,810	77,680	592,333
Ithaca Campus Debt	169,583	91,087	94,146	27,019	16,250	13,491	1,000	412,576
Weill Medical Debt	6,818	8,534		159,000	164,000	48,000	4,000	390,352
Subtotal Debt Financing (7)	176,401	99,621	94,146	186,019	180,250	61,491	5,000	802,928
Total Capital Funding/Financing	416,644	372,981	406,550	357,387	317,746	170,586	121,160	2,163,054

Uses	To Date	09-10	10-11	11-12	12-13	13-14	Beyond	Total
Research Projects	88,857	94,109	59,980					242,946
Program Projects	24,424	46,594	41,857	2,150				115,025
Renovation/Renewal Projects	112,402	132,583	133,408	119,147	101,931	110,736	80,380	790,587
Infrastructure Projects	102,949	28,410	24,985	22,090	13,815	9,850	33,780	235,879
Medical College Projects	88,012	71,285	146,320	214,000	202,000	50,000	7,000	778,617
Total Capital Expenditures	416,644	372,981	406,550	357,387	317,746	170,586	121,160	2,163,054

- (1) General Purpose funds are resources provided from the central university General Purpose budget. Project examples include administrative systems, campus network wiring, energy conservation, and maintenance.
- (2) Gifts are restricted gifts for capital projects. Gifts in hand are cash payments. Gifts Pledged are gift commitments with future payment. Gifts to be Raised are a projection of future, to be identified gifts that can be raised for projects. Project examples include Milstein Hall, Johnson Museum, and Biomedical Research Center.
- (3) Unit funds are resources provided by colleges or other units from their operations or reserves. Project examples include Milstein Hall, Johnson Museum, and contributions to State-funded projects.
- (4) Enterprise funds are resources provided by units run as enterprise and revenues generated by rates. Examples include Utilities, Campus Life, Information Technologies, and Transportation.
- (5) SUCF Capital is New York State funding provided to the SUNY campuses, administered by the State University Construction Fund. Project examples include North Martha Van Rensselaer replacement, Stocking Hall renovation/addition, and Warren Hall renovation.
- (6) Other NYS funds are resources provided by New York State through appropriations outside of the SUNY/SUCF process. Project examples include Animal Health Diagnostic Center, Lake Erie Research Center, and Energy Recovery Linac prototype.
- (7) Debt financing includes both long-term debt repaid by amortized debt service payments from operating budgets and short-term bridge financing repaid by receipt of future gift payments. Project examples include Physical Sciences, Olin Library renovations, and Biomedical Research Center.

Capital Activity - 2009-10 through 2013-14

(current dollars in thousands)

	Approved Budget	Estimated Total Budget	Source of Funding				Debt Financing (see Note 1)	Project Expenditures				Estimated O&M Cost Impact
			Gifts	GP/Central Funds	Unit/Enterprise	SUCF/NYS		Expended To Date	09-10	10-11 to 13-14	Beyond 13-14	
Projects Approved/Under Way	542,624	543,274	48,274	159,647	149,492	185,861	296,456	283,183	172,040	88,051		8,850
Projects Planned - New York State Funded												
Stocking Hall Renovation & Food Science Building	6,460	100,000			1,780	98,220		3,520	6,300	81,880	8,300	1,700
Warren Hall Renovations	4,694	60,000			1,200	58,800		1,000	2,700	33,300	23,000	1,000
Geneva Food Science Renovation	4,112	53,000			700	52,300		710	2,020	14,920	35,350	
MVR 1933 / East Rehab, Phases 3 & 4	3,600	49,456			1,050	48,406			4,606	40,600	4,250	800
VRT Renovation	2,500	28,650			650	28,000			1,500	20,050	7,100	
Rice Hall Rehab and Roof Replacement	3,256	19,380			380	19,000		1,500	250	16,250	1,380	50
Fernow Hall Rehab and Roof Repairs		14,280			280	14,000			1,500	12,780		40
Large Animal Teaching Complex/Teaching Dairy Barn	700	7,700			700	7,000	688	5	3,415	4,280		22
Fernow/Rice Surging	776	7,296			140	7,156		5,510	1,786			
Animal Facility Demolition and Renovation		5,100			100	5,000				5,100		
Food Science Surge to Morrison	725	5,070			70	5,000		171	4,899			
Tower Road Utility Power System Upgrade		4,760			120	4,640			2,050	2,710		
Geneva Campus Improvements		2,840			40	2,800			1,020	1,820		
East Campus Storm Sewer Replacement	50	2,000			125	1,875		225	1,775			
	26,873	359,532			7,335	352,197	688	12,641	33,821	233,690	79,380	3,612
High Priority Maintenance and Infrastructure												
Campus Network Wiring Upgrade	33,010	83,280		80,280	3,000		16,850	21,000	4,600	23,900	33,780	
Endowed Planned/Extraordinary Maintenance		57,903		54,728	3,175			1,158	9,231	47,514		
WCMC Deferred Maintenance	45,300	45,300	45,300					35,673	5,977	3,650		
Contract College Misc. Rehab/Repair	9,751	38,000				38,000		6,300	11,500	20,200		100
Utilities Maint. & Infrastructure Projects	2,460	36,560			36,325	235	20,465	3,166	9,085	24,309		(250)
Administrative Systems	2,600	35,600		35,600				3,200	10,000	22,400		4,000
GP Campus-Wide Maint. & Infrastructure Projects		30,329		21,550	8,779			1,094	5,695	23,540		
Electric Service Entrance Upgrades		23,780		8,930	9,810	5,040			5,690	18,090		
Campus Life Maint. & Infrastructure Projects		20,570			20,570				3,020	17,550		(100)
CIT Maint. & Infrastructure Projects		13,020			13,020				1,680	11,340		
Utility Power Systems Upgrades		11,300			300	11,000			2,025	9,275		
	93,121	395,642	45,300	201,088	94,979	54,275	37,315	71,591	68,503	221,768	33,780	3,750

Note 1: Amounts include anticipated long-term debt and short-term bridge financing.

Capital Activity - 2009-10 through 2013-14

(current dollars in thousands)

	Approved Budget	Estimated Total Budget	Source of Funding				Debt Financing (see Note 1)	Project Expenditures				Estimated O&M Cost Impact
			Gifts	GP/Central Funds	Unit/Enterprise	SUCF/NYS		Expended To Date	09-10	10-11 to 13-14	Beyond 13-14	
Projects Seeking FY 10 Approval												
Biomedical Research Building	55,592	650,000	350,000	300,000			350,000	32,000	46,000	565,000	7,000	16,000
Milstein Hall	8,140	55,500	29,030	11,981	14,489		27,696	8,000	25,000	22,500		729
WCMC Medicine Fit-Out and Renovations		20,000	10,000		10,000				6,000	14,000		785
Johnson Museum Expansion	1,400	19,000	11,039		7,961		527	2,293	11,580	5,127		257
WCMC Sleep Disorder Center		8,170			8,170				3,500	4,670		600
Plantations Welcome Center/Botanical Garden	745	6,950	6,950					950	3,000	3,000		24
Statler Hotel Guest Room Renovations	3,107	4,886	115		4,771			1,349	3,537			
	68,984	764,506	407,134	311,981	45,391		378,223	44,592	98,617	614,297	7,000	18,395
Baseline Projects for Future Consideration												
Olin Library Improvements	4,932	52,400		48,400	4,000		47,838	2,637		48,763	1,000	150
WCMC Housing Acquisitions		25,000			25,000		25,000			25,000		TBD
Central Avenue Parking Garage/University Ave.	1,324	14,700			14,700		14,700	1,500		13,200		80
Cornell Rowing Center	792	8,000	8,000				2,708	500		7,500		74
	7,048	100,100	8,000	48,400	43,700		90,246	4,637		94,463	1,000	304
Total Projects Approved and Under Review	738,650	2,163,054	508,708	721,116	340,897	592,333	802,928	416,644	372,981	1,252,269	121,160	34,911
Major Projects Deferred												
New Engineering Building	1,000	182,028										
East Hill Data Center	4,500	100,000										
University Health Services Facility	4,124	94,000										
CIS Gates Hall	3,570	65,000										
New Humanities Building	3,802	56,100										
Helen Newman Hall		30,000										
Hughes Hall Renovation and Addition		15,394										
Law School Infill Classrooms		13,731										
Phillips Hall 4th Floor Addition	856	5,600										
	17,852	561,853										

Note 1: Amounts include anticipated long-term debt and short-term bridge financing.