

**Budget Advisory Task Force**  
**April 19, 2022**  
**3:00 – 4:00PM**

Presiding: Mitch Robinson.

Present: Florian Gargaillo, Jacklyn Milam, Lee Miller.

**State Budget Recommendations.**

THEC Recommendation:

Health Insurance: N/A

4% Salary Pool: N/A

Outcomes Formula Growth: \$4,306,300

Outcome Formula Redistribution: \$1,733

*Total:* \$6,039,300

Governor Recommendation:

Health Insurance: \$515,00

4% Salary Pool: \$1,993,900

Outcomes Formula Growth: \$4,306,300

Outcome Formula Redistribution: \$1,733

*Total:* \$8,548,300

Conditional on there being no tuition increase.

2% of salary pool that APSU must cover will come from Outcomes Formula Growth.

In addition, APSU given ERP Implementation Funding of \$20,000,000, which will be used for technology in Finance and Human Resources.

**Capital Project Recommendations.**

Campus-wide Elevator Modernization: \$1,000,000

Dunn Center HVAC and Electrical Modernization: \$2,000,000

Kimbrough Classroom and Office Renovations: \$8,458,000 [APSU will contribute \$717,000 in private gifts.]

*Total:* \$11,459,000 [\$12,175,000 including APSU's contribution.]

**Federal COVID Relief Uses—Institutional Portion.**

Beginning Balance: \$34,074,377

Total Expenditures to Date: \$26,841,815

Available Balance: \$7,232,562.

Federal government extended deadline to use remaining funds to May 2023.

Deficit 7/1/2021: \$6,400,000

[drop in freshman enrollment, inflationary costs of contracts

2022-2023 State Budget: \$8,548,300

Recurring Budget Gap: \$2,488,300

[budget gap will be covered with HERF Funding]

**Budget Picture Going Forward: Enrollment, Retention, and Reserves.**

Expectation that freshman student enrollment in Fall 2022 will be 1,700. Freshman number should ideally be at least 1,700 to avoid a new budget gap beyond May 2023.

Uptick in retention (4.5%) will help address budget gap.

Reserves: trying to add 2% of revenue in reserves every year; in 5 years, hoping to have 25% of revenue in reserves, as recommended by Trustees.