

Introduction

This document represents Youngstown State University's financial operating plan for the fiscal year commencing July 1, 2019. The operating budget is a spending plan that supports the University's strategic goals. The budget also includes a forecast of revenues that is based on an analysis of future economic conditions and demographic trends. As one of the University's most important administrative tools, this budget serves as a plan of action for achieving objectives, and a standard against which financial performance is monitored.

Pursuant to Ohio Administrative Code 3356-3-11, this operating budget is hereby submitted to the Board of Trustees for approval, and will thereafter serve as the University's financial governing document for FY 2020. The budget is based on certain assumptions and variables unknown at this time, such as student enrollment and state funding levels, and may therefore be modified or otherwise adjusted to reflect new information that becomes available during the course of FY 2020. For this reason, it is important to reiterate that this budget is a spending plan.

The presentation of the FY 2020 budget contained herein is the first step in aligning the use of resources to strategies by illustrating expenses in functional categories linked to academic, student and institutional success. This presentation is also consistent with the standardized definitions and classifications of the federal Integrated Post-Secondary Data System. This approach will illustrate where resources are strategically allocated and aligned with institutional priorities.

To ensure the responsible use of financial resources, an annual prioritization and optimization assessment will occur at all levels of the University that will be based upon principles to be developed and implemented that will provide for a process to allocate strategic investment funding.

To further optimize the use of all available resources, principles and expectations associated with the proposal and use of certain types of student fees will be implemented. The overarching principle will be that all such fees are centrally collected and institutional discretion will be exercised to allocate resources that are sourced from these fees. This will include the notion of holding back distributions pending demonstrated accomplishments aligned with University priorities.

Moreover, House Bill 166, the current state budget proposal for FY 2020 and FY 2021, permits universities to establish a special fee to support mental health and substance abuse counseling. Pursuant to H.B. 166, the Chancellor of the Ohio Department of Higher Education will develop a process to consider and approve such a fee, and to consider increases in certain other existing fees, such as college and program fees. YSU's Budget Advisory Council will continue to play an active role in evaluating such fee proposals before submitting them to the Chancellor and to the Board of Trustees for consideration and approval.

In its present form, H.B. 166 would also allow state universities to raise revenues by allowing for a tuition increase of between 2% and 3.5%, and by providing an increase in State Share of Instruction funding of between 0.5% and 1%. Combined, these revenue enhancements would generate approximately \$2.7 million in revenue, which is essential to YSU's ability to fund the priorities within the FY 2020 budget, including obligations related to existing labor agreements and scholarship commitments.