



**LAMAR
INSTITUTE OF
TECHNOLOGY**

July 11, 2014

Members of the Board of Regents
The Texas State University System

Dear Regents:

We are providing to you our recommendation for the annual budget of Lamar Institute of Technology for the fiscal year beginning September 1, 2014. The proposed budget includes all educational and general, designated, and auxiliary enterprise activities.

Highlights of the budget for the upcoming year include filling vacancies in critical need areas and for the beginning of our offering the Associate of Arts Degree, and increase in technology equipment purchases in academic and operational program areas a contingency for faculty and staff salary increases, and funding for our SACS Accreditation Quality Enhancement Plan implementation.

Sincerely,

Paul J. Szuch, Ed. D.
President

Bonnie Albright
Vice President for Finance & Operations

Office of the President

P. O. Box 10043 • Beaumont, Texas 77710 • (409) 880-8185 • FAX (409) 880-8219 • 1-800-950-6989

A Member of The Texas State University System

**Lamar Institute of Technology
Major Budget Initiatives
Fiscal Year 2015**

The Institute's budget was prepared assuming flat enrollment for FY 2015 compared to FY 2014.

Education and General Funds

State appropriations for FY2015 increased by \$2,516 (0.03%) from FY2014 due to increases in General Revenue Appropriations. Last year's annual unduplicated headcount decreased less than 2% compared to the previous year. Due to a shift in student enrollment from full-time to part-time, an increase in student headcount may not result in a corresponding increase in Semester Credit Hours (SCH)/local tuition or Contact Hours/state formula funding.

Designated Funds

Designated tuition funds of \$1,000,000 were budgeted to support the Education and General Fund budgets.

Auxiliary Funds

Auxiliary fund expenditures increased for Student Service Activities and decreased in the Contingency for FY 2015.

Current Fiscal Condition

The overall fiscal condition of the Institute continues to be sound with a positive balance in each of the fund categories. Although the Institute has experienced a slight decrease in enrollment in the last year, the outlook is that credit enrollment will continue to increase slightly during the coming year. However Workforce Development enrollments will be more challenging due to market conditions. The Institute has launched several very promising initiatives to increase student enrollment. The approved increase in designated tuition has enabled the Institute to continue to offer a wide variety of Associate Degrees and Certificate programs.

LAMAR INSTITUTE OF TECHNOLOGY

Table A. 1
Educational and General Funds
Budgeted Revenues and Transfers
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 APPROVED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE
REVENUES				
Tuition and Fees				
Tuition Net of Exemptions and Waivers	\$ 3,600,000	\$ 3,600,000	\$ -	0.00%
Lab Fees	30,000	30,000	0	0.00%
Total Tuition and Fees	\$ 3,630,000	\$ 3,630,000	\$ -	0.00%
State Appropriations				
General Revenue Appn. - H.B. 1	\$ 8,659,411	\$ 8,661,927	\$ 2,516	0.03%
Staff Benefit Appropriations	1,678,375	1,822,375	144,000	8.58%
HEAF Appropriation	2,332,463	2,332,463	0	0.00%
Total State Appropriations	\$ 12,670,249	\$ 12,816,765	\$ 146,516	1.16%
Current Funds				
Investment Income	\$ 9,000	\$ 9,000	\$ -	0.00%
Sales and Services	0	0	0	0.00%
Other Income	290,000	390,000	100,000	34.48%
Total Current Funds	\$ 299,000	\$ 399,000	\$ 100,000	33.44%
TOTAL REVENUES	\$ 16,599,249	\$ 16,845,765	\$ 246,516	1.49%
Designated Tuition	1,000,000	1,000,000	0	0.00%
TOTAL TRANSFERS IN	\$ 1,000,000	\$ 1,000,000	\$ -	0.00%
BUDGETED FUND BALANCES	\$ -	\$ -	\$ -	0.00%
BUDGETED FUND BALANCES	\$ -	\$ -	\$ -	0.00%
TOTAL BUDGETED FUNDS	\$ 17,599,249	\$ 17,845,765	\$ 246,516	1.40%

Note 1: Library Fee revenue increased.

LAMAR INSTITUTE OF TECHNOLOGY

Table A. 2
Educational and General Funds
Budgeted Expenditures
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 APPROVED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE	
EXPENDITURES					
RESIDENT INSTRUCTION					
Allied Health and Sciences	1,875,240	2,221,855	346,615	18.48%	1
Technology	1,730,753	1,501,004	(229,749)	-13.27%	2
General Education and Developmental Studies	939,967	821,747	(118,220)	-12.58%	2
Business Technologies	863,858	807,040	(56,818)	-6.58%	2
Public Service and Safety	662,096	638,202	(23,894)	-3.61%	2
Workforce Training and Continuing Education	597,459	436,556	(160,903)	-26.93%	3
TOTAL RESIDENCE INSTRUCTION	\$ 6,669,373	\$ 6,426,404	\$ (242,969)	-3.64%	
ACADEMIC SUPPORT:					
INSTRUCTIONAL ADMINISTRATION	\$ 254,025	\$ 742,648	\$ 488,623	192.35%	2
LIBRARY	390,000	390,000	-	0.00%	
INFRASTRUCTURE	1,236,092	1,238,363	2,271	0.18%	
STUDENT SERVICES	566,874	580,340	13,466	2.38%	
INSTITUTIONAL SUPPORT	2,345,786	2,239,363	(106,423)	-4.54%	
STAFF BENEFITS	1,925,000	2,069,000	144,000	7.48%	
SPECIAL ITEMS	1,317,225	1,263,042	(54,183)	-4.11%	
TOTAL EXPENDITURES	\$ 14,704,375	\$ 14,949,160	\$ 244,785	1.66%	
TRANSFERS OUT					
Mandatory					
Tuition Revenue Bond Debt Service	522,411	524,142	1,731	0.33%	
HEAF Funds to Plant Funds	1,832,463	1,832,463	-	0.00%	
TPEG Loans	54,000	54,000	-	0.00%	
TPEG Scholarships	486,000	486,000	-	0.00%	
TOTAL TRANSFERS OUT	\$ 2,894,874	\$ 2,896,605	\$ 1,731	0.06%	
TOTAL BUDGETED EXPENDITURES AND TRANSFERS OUT	\$ 17,599,249	\$ 17,845,765	\$ 246,516	1.40%	

Note 1: Increase in Department expenditures. Part time employees salaries not moved to VP of Academic Affairs.

Note 2: Moved part time employee salaries to VP of Academic Affairs for all Academic Departments except Allied Health and Sciences.

Note 3: Decrease in Department expenditures including part time employees.

LAMAR INSTITUTE OF TECHNOLOGY

Table B.1
Designated Funds
Budgeted Revenues and Transfers
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 APPROVED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE
REVENUES				
Student Fees				
Computer Use Fee	\$ 1,300,000	\$ 1,400,000	\$ 100,000	7.69%
Course Fees	750,000	750,000	0	0.00%
Designated Tuition Fee	4,000,000	4,000,000	0	0.00%
Miscellaneous Fees	35,000	35,000	0	0.00%
Total Student Fees	\$ 6,085,000	\$ 6,185,000	\$ 100,000	1.64%
Investment Income	\$ 6,000	\$ 6,000	\$ -	0.00%
TOTAL REVENUES	\$ 6,091,000	\$ 6,191,000	\$ 100,000	1.64%
TRANSFERS IN				
Educational & General - TPEG	540,000	540,000	0	0.00%
	0	0	0	0.00%
TOTAL TRANSFERS IN	\$ 540,000	\$ 540,000	\$ -	0.00%
BUDGETED FUND BALANCES				
	\$ -	\$ -	\$ -	0.00%
TOTAL BUDGETED FUND BALANCES	\$ -	\$ -	\$ -	0.00%
TOTAL BUDGETED FUNDS	\$ 6,631,000	\$ 6,731,000	\$ 100,000	1.51%

LAMAR INSTITUTE OF TECHNOLOGY

Table B.2
Designated Funds
Budgeted Expenditures
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 APPROVED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE
EXPENDITURES				
INSTRUCTION				
Allied Health Department	\$ 22,125	\$ 2,025	\$ (20,100)	-90.85%
Technology Department	102,894	21,500	(81,394)	-79.10%
General Education Department	6,000	1,750	(4,250)	-70.83%
Public Service and Safety Department	405,860	306,163	(99,697)	-24.56%
Business Technologies Department	12,100	4,000	(8,100)	-66.94%
Workforce Development Department	900,000	900,000	0	0.00%
ACADEMIC SUPPORT				
Computer Services	1,362,758	1,392,000	29,242	2.15%
Academic Supplement	102,000	198,204	96,204	94.32%
All Others	124,000	143,990	19,990	16.12%
INSTITUTIONAL SUPPORT				
Supplemental Support	284,604	204,424	(80,180)	-28.17%
Development/Marketing	200,000	293,644	93,644	46.82%
Institutional Expense	1,010,314	1,150,555	140,241	13.88%
TOTAL INSTITUTIONAL SUPPORT	<u>\$ 4,532,655</u>	<u>\$ 4,618,255</u>	<u>\$ 85,600</u>	<u>1.89%</u>
SCHOLARSHIPS - TPEG	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ -</u>	<u>0.00%</u>
TOTAL EXPENDITURES	<u>\$ 5,132,655</u>	<u>\$ 5,218,255</u>	<u>\$ 85,600</u>	<u>1.67%</u>
TRANSFERS OUT				
Education and General Funds	1,000,000	1,000,000	0	0.00%
Plant Funds	378,345	378,345	0	0.00%
TSUS Administrative Costs	120,000	134,400	14,400	12.00%
TOTAL TRANSFERS OUT	<u>\$ 1,498,345</u>	<u>\$ 1,512,745</u>	<u>\$ 14,400</u>	<u>0.00%</u>
TOTAL BUDGETED EXPENDITURES AND TRANSFERS OUT	<u>\$ 6,631,000</u>	<u>\$ 6,731,000</u>	<u>\$ 100,000</u>	<u>1.51%</u>

Note 1: Increase in support for the college in development, distance learning and SACS/QEP.

LAMAR INSTITUTE OF TECHNOLOGY

Table C. 1
Auxiliary Funds
Budgeted Revenues and Transfers
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 APPROVED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE
REVENUE				
Student Fees				
Student Service Fees	\$ 1,400,000	\$ 1,300,000	\$ (100,000)	-7.14%
Student Center Fees	230,000	230,000	0	0.00%
Health Center Fees	260,000	280,000	20,000	7.69%
Food Service Sales	150,000	140,000	(10,000)	-6.67%
Parking Fees	170,000	160,000	(10,000)	-5.88%
Total Student Fees	\$ 2,210,000	\$ 2,110,000	\$ (100,000)	-4.52%
TRANSFERS IN				
TOTAL TRANSFERS IN	\$ -	\$ -	\$ -	0.00%
TOTAL FUNDS BUDGETED	\$ 2,210,000	\$ 2,110,000	\$ (100,000)	-4.52%

LAMAR INSTITUTE OF TECHNOLOGY

Table C. 2
Auxiliary Funds
Budgeted Expenditures
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 APPROVED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE	
EXPENDITURES					
Student Services Activities	\$ 900,000	\$ 1,050,000	\$ 150,000	16.67%	1
Health Center to LU Beaumont	260,000	280,000	20,000	7.69%	
Student Center to LU Beaumont	230,000	230,000	0	0.00%	
Parking	180,000	160,000	(20,000)	-11.11%	
Snack Bar - Megabytes	240,000	240,000	0	0.00%	
Student Service Contingency	400,000	150,000	(250,000)	-62.50%	2
TOTAL EXPENDITURES	\$ 2,210,000	\$ 2,110,000	\$ (100,000)	-4.52%	
TRANSFERS OUT					
	\$ -	\$ -	\$ -	0.00%	
TOTAL TRANSFERS OUT	\$ -	\$ -	\$ -	0.00%	
TOTAL BUDGETED EXPENDITURES AND TRANSFERS OUT	\$ 2,210,000	\$ 2,110,000	\$ (100,000)	-4.52%	

Note 1: Increase for additional expenditures in Student Services Activities. This includes more campus life programs such as Project Interview, President's Forum, Leadership conferences, and Job Fairs, etc. Title 9 expenditures are also included in the increase.

Note 2: Decrease in Contingency for Student Services Activities.

LAMAR INSTITUTE OF TECHNOLOGY

Table D
Higher Education Assistance Funds
Year Ended August 31, 2015

ITEM DESCRIPTION	FY 2014 ADOPTED BUDGET	FY 2015 PROPOSED BUDGET	AMOUNT CHANGED	PERCENT VARIANCE
EDUCATION AND GENERAL FUNDS				
Budget requests - Various programs	500,000	500,000	0	0.00%
TOTAL RESIDENCE INSTRUCTION	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>0.00%</u>
PLANT FUNDS				
CAMPUS MASTER PLAN	\$ 25,000	\$ 25,000	\$ -	0.00%
MAJOR CONSTRUCTION PROJECTS RESERVES	4,000,000	4,000,000	\$ -	0.00%
TOTAL PLANT FUNDS	<u>\$ 4,025,000</u>	<u>\$ 4,025,000</u>	<u>\$ -</u>	<u>0.00%</u>
TOTAL BUDGETED HEAF Funds	<u><u>\$ 4,525,000</u></u>	<u><u>\$ 4,525,000</u></u>	<u><u>\$ -</u></u>	<u><u>0.00%</u></u>

HEAF SUMMARY

Estimated Balance 09-01-14	\$ 9,000,000
Appropriations	2,332,463
Total Funding Available	<u>\$ 11,332,463</u>
Budgeted Expenditures:	
Education and General	\$ 500,000
Plant Funds	4,025,000
Total Expenditures	<u>4,525,000</u>
Estimated Balance 08-31-2015	<u><u>\$ 6,807,463</u></u>

LAMAR INSTITUTE OF TECHNOLOGY

Table G.1 Auxiliary Operations Intercollegiate Athletics Year Ended August 31, 2015

NOT APPLICABLE

Lamar Institute of Technology
Recapitulation of Budgeted Revenues, Expenditures, Transfers, and Use of Reserves
For Fiscal Year Ending August 31, 2015

	Estimated Revenues	Transfers In	Budgeted Expenditures	Transfers Out	Total Budget	Net Transfers *	Budgeted Use of Reserves
Lamar Institute of Technology							
Educational & General	\$16,845,765	\$1,000,000	-\$14,949,160	-\$2,896,605	-\$17,845,765	-\$1,896,605	-
Designated	6,191,000	540,000	-5,218,255	-1,512,745	-6,731,000	-972,745	-
Auxiliary Enterprises	2,110,000	0	-2,110,000	0	-2,110,000	0	-
Total	\$25,146,765	\$1,540,000	-\$22,277,415	-\$4,409,350	-\$26,686,765	-\$2,869,350	-

Estimated Revenues	\$25,146,765
Budgeted Use of Reserves	0
Total Budgeted Sources	\$25,146,765
Budgeted Expenditures	-\$22,277,415
Net Transfers	-2,869,350
Total Budgeted Uses	-\$25,146,765
Budgeted Expenditures	-\$22,277,415
Transfers Out	-4,409,350
Total Budget	-26,686,765
Transfers In	1,540,000
Total Budgeted Uses	-\$25,146,765

Excludes Service Departments (if any)
Transfers between Current Unrestricted Funds in Budget
Total Budgeted Sources

* Net Transfers = Transfers for Capital Improvements, Debt Service, and TSUS Administrative Costs

Net Transfers	
Transfer to Non-Current Fund from Table A-2	-1,901,320
Transfer to Non-Current Fund from Table A-2	0
Transfer to Non-Current Fund from Table B-2	-972,745
Transfer to Non-Current Fund from Table B-2	0
Transfer to Non-Current Fund from Table C-2	0
Transfer to Non-Current Fund from Table C-2	0
Net Transfers	-2,874,065