

ACADEMIC HEALTH CENTER  
University of Minnesota

7/24/97

TO: AHC-FCC  
members

Financial Performance Reporting System

This was a  
handout to  
accompany the demonstration  
at the meeting on  
7/23/97

Background

The Academic Health Center is in the process of defining the resource management information requirements for the Academic Health Center. Improving the quantity and quality of data available for the management of resources is the principal goal. To attain this goal, a set of strategies for implementing and installing local information systems or linking effectively with systems maintained by the Central university offices will be developed. Some of these strategies can be achieved in the short-term; others will require a longer period to execute.

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In the short-term, the Academic Health Center is assembling a simple, yet comprehensive set of standard tools and reports that can be used for resource management by the Provost, the Deans, the Department Chairs and other administrators in the Academic Health Center. The portfolio will be composed of existing computer applications and operating principles that are presently used by schools in the AHC and that can be adapted for use throughout the AHC. The longer term goal is the design, development and installation of computer applications and operating principles that will streamline administrative processes of the AHC.

One component of the AHC Business Systems is a financial performance reporting system. Eventually, the AHC will have a financial performance system that manages and evaluates budgets automatically, using expert system technology. But, in view of the shortfalls forecast for the current year and the need for increased discipline in the resource management process, the measurement of financial performance cannot be delayed. Accordingly, a simple financial performance reporting system has been devised to serve as an interim evaluation instrument.

Objectives for the Financial Reporting System

The most important objectives of the financial performance reporting system are:

1. to assure management that the organization is making progress toward the achievement of objectives established in the annual financial plan (or annual budget)

2. to test revenue and expenditure activity in the schools (and for the AHC as an entity) to determine if departments and schools are on course to operate within approved allocations
3. to structure a framework that allows the quick analysis and explanation of significant deviations from the financial plan
4. to develop a process for prompt identification of corrective actions
5. to understand the consequences of administrative decisions

The interim financial performance reporting system incorporates these objectives and also allows for specific needs of the AHC, such as:

1. to initiate a change in attitude about the purpose and use of budgets
2. to promote the understanding that financial management is a dynamic, evolutionary process that requires continuous attention

### System Output

The financial condition of the departments, the schools, and the AHC will be examined through two analyses:

1. Comparisons of year-to-date revenue collections and expenditures with the approved annual budget and the current forecast
2. Comparisons of the current forecast and year-to-date actual revenues and expenditures with corresponding data from the prior year.

Separate evaluations will be performed for non-sponsored programs and sponsored programs. Four reports will be prepared to present financial performance, as described below:

1. A summary of the results for all funds and categories of expenditures
2. Detail of revenues and expenditures in non-sponsored programs
3. Detail of revenues and expenditures in sponsored programs
4. A year-over-year comparison of budgets and actual

5. The effect of current activity on the fund balances of the seven schools

### Recipients of the Reports

There should be an inverse relationship between the level of authority in the resource management hierarchy and the amount of detail in reports. The broader the level of authority, the more aggregated the financial data should be. Following this theory,

- The Provost will receive a composite report for all organizations in the Academic Health Center and summary reports for all schools
- The deans will receive copies of the summary report for the school and individual reports for the departments within his/her school
- Chairs will receive reports for the department

### The Process

The process of analyzing financial performance is a continuous cycle composed of three major phases: establishing or updating the budget, collecting data from the accounting system (CUFS), and analyzing and explaining the data. The foundation for the financial performance reporting system is the approved budget, which should be finalized before the beginning of the fiscal year. This important first step was missed for FY 1997 since the financial performance reporting system is introduced midway through the year. Consequently, the budget must be restructured in some areas of the AHC as a one-time task in the cycle.

For future fiscal years, a change in the budget authorization phase of the cycle is required to ensure accurate evaluation of financial performance. Traditionally, funds allocated by Central Administration pass through an official approval process. Departments establish levels for all other funds. In the future, all categories of revenue and expense should be authorized through official proceedings. A program for forming a financial plan that includes all revenue and expenditure categories is described at the top of the next page.

1. Levels for O&M, tuition, and ICR will be established in Phase II of the university's budget cycle
2. Concurrently, the departments and/or schools will project levels of generated income, private income, mandatory and non-mandatory transfers, and all other income. The deans will review proposed line items in the revenue budget and recommend an appropriate level to the provost.
3. Departments will estimate the annual requirement for major categories of expense (e.g., faculty salaries, P&A salaries, civil service salaries, fringe benefits, etc.). Deans will review proposed line items in the expense budget and recommend an appropriate level to the provost.

**Balanced budgets will be the rule; deficit budgets will be approved on an exception basis.**

4. Estimates of expected revenues and expenditures in sponsored programs will be developed for inclusion in the all funds budgets.
5. Deans will present the comprehensive all funds budget to the Provost for authorization.
6. Revenue and expense budgets authorized by the Provost will be entered into CUFS as a part of Phase III of the University's budget cycle.
7. School fiscal officers will be responsible for ensuring that the amounts entered in CUFS agree with authorized budget levels.

The preparation of quarterly financial reports will be an iterative process that relies on the exchange of information between all levels of the AHC. The CFO's staff will initiate the process at the end of each quarter. Following the month-end closing of CUFS, which usually occurs on the fourth or fifth working day of each month, actual revenues and expenditures at the department level will be extracted from CUFS and downloaded into Excel computer workbooks. Departmental data will be combined to produce reports at the school level. The composite school reports will be combined to produce a total report for the AHC.

Reports for individual departments and the combined school report will be forwarded electronically to the schools' fiscal officers. The fiscal officers will be responsible for forwarding the departmental reports; however, upon request, the CFO's staff will transfer the electronic files directly to the departmental administrator.

The school fiscal officer will be responsible for evaluating and explaining major variations in the actual data as compared with the annual budget or the current forecast. Known performance changes will be overlaid to the annual approved budget to produce a current forecast of revenue and expense activity for the year. The CFO's staff will serve as consultants to assist the school fiscal officer in evaluating major deviations and their impact on financial performance for the fiscal year.

A final report will be prepared to advise the provost of the financial condition of the schools and the AHC in total. The final report will include both numerical analyses and narrative explanations of variances from historical trends, the annual budget, or the forecast current. Any actions that are required to correct significant deviations will be covered in the narrative.

**The Performance Reports**

To measure financial performance and to form up-to-date forecasts, revenue and expense data are presented in five formats.

**Approved Annual Budget**

The approved annual budget for the year is the basis for all financial performance analysis. Beginning with the 1997-98 fiscal year, amounts shown in this category will represent the levels of revenue and expense approved by the Provost in the budget approval cycle. These amounts, which will be entered in the CUFS accounting system, should reflect the best estimates of the revenues that will be collected and the expenses that will be incurred. The amounts shown in this category will not change during the year. It is important to compare and contrast the actual data throughout the year with the original in order to improve projection techniques for future years.

### Performance Adjustments

Budget development and execution is an art, not a precise science. Fiscal officers and executive management must recognize that it is impossible to foresee all events that can affect revenues and expenditures throughout the year. But, a continuous review and update of the budget can buffer this lack of precision. At the end of each reporting period, variations from the budgeted amount in each revenue and expense category should be evaluated to determine if the variance results from a timing problem (accounts receivable in process) or if there is a true deviation from the financial plan. If the latter is true, the difference should be translated into an annual effect and overlaid to the approved budget to create a revised forecast for the year.

### Current Forecast

The current forecast is the sum of the approved annual budget and all performance adjustments. The current forecast reflects the unit's best point-in-time estimate of total revenue and expense for the year. For the present, it will serve as a surrogate for a system that allows fiscal officers to encumber future expenses.

### Quarter Actual

Actual revenues and expenses from the university's accounting records in CUFS are compiled by object. The actual revenue collections and expenses are also expressed as a percent of the corresponding current annual forecasts.

### Same Quarter Prior Year

Actual revenues and expenses for the prior year are collected to serve as a benchmark for the current year. The total records for all revenue and expense categories are extracted from CUFS for the prior year and for the same quarter. The quarter as a percent of the total year is computed as a measurement statistic for the current year.

ACADEMIC HEALTH CENTER  
UNIVERSITY OF MINNESOTA  
QUARTERLY PERFORMANCE REPORT -- SUMMARY OF ALL FUNDS

Third quarter 1997  
(Dollars in Thousands)

Area: Academic Health Center

	Revenue and Expenditure Plans				Third quarter Actual		Same Period Prior Year		
	Approved Annual Budget	Adjustments Fund Bal.	Current Perform.	Current Forecast	Dollars	% of Forecast	Total FY 96	March YTD FY 96	YTD % of Total
<b><u>NON-SPONSORED PROGRAMS</u></b>									
<b><u>Revenues</u></b>									
Central Allocations	\$133,260	\$4,237	\$0	\$137,497	\$133,260	97%	\$109,987	\$109,987	100%
Generated Income	117,126	6,460	0	123,586	83,209	67%	113,951	78,667	69%
Private Funds	19,707	740	13,382	33,829	16,600	49%	29,061	19,295	66%
Other Income	4,884	5,081	0	9,965	4,980	50%	3,787	2,474	65%
Net Transfers In/(Out)	(31,425)	3,859	0	(27,566)	8,428	31%	684	3,354	490%
<b>Total Revenue</b>	<b>\$243,553</b>	<b>\$20,377</b>	<b>\$13,382</b>	<b>\$277,312</b>	<b>\$246,478</b>	<b>89%</b>	<b>\$257,468</b>	<b>\$213,777</b>	<b>83%</b>
<b><u>Expenditures</u></b>									
Salaries	\$171,811	\$0	(\$1,713)	\$170,098	\$124,592	73%	\$164,793	\$124,264	75%
Employee Benefits	41,438	0	(431)	41,007	28,672	70%	35,780	26,557	74%
<b>Total Personnel Costs</b>	<b>213,250</b>	<b>0</b>	<b>(2,145)</b>	<b>211,105</b>	<b>153,264</b>	<b>73%</b>	<b>200,573</b>	<b>150,821</b>	<b>75%</b>
Student Aid	3,230	0	20	3,250	2,569	79%	2,969	2,619	88%
Operations	58,797	0	1,128	59,925	45,759	76%	55,903	40,223	72%
<b>Total Expenses</b>	<b>\$275,277</b>	<b>\$0</b>	<b>(\$997)</b>	<b>\$274,280</b>	<b>\$201,591</b>	<b>73%</b>	<b>\$259,445</b>	<b>\$193,663</b>	<b>75%</b>
<b>Variance</b>	<b>(\$31,724)</b>	<b>\$20,377</b>	<b>\$14,379</b>	<b>\$3,032</b>	<b>\$44,887</b>		<b>(\$1,976)</b>	<b>\$20,114</b>	

Academic Health Center  
Quarterly Performance Report  
Thrd quarter 1997

Area: Academic Health Center

	Revenue and Expenditure Plans			Third quarter Actual		Same Period Prior Year			
	Approved Annual Budget	Adjustments Fund Bal.	Perform.	Current Forecast	% of Forecast	Total FY 96	March YTD FY 96	YTD % of Total	
<b><u>SPONSORED PROGRAMS</u></b>									
Revenues	\$754,665	\$0	\$0	\$754,665	\$129,026	17%	\$156,480	\$114,707	73%
Expenses	742,101	0	0	742,101	118,298	16%	156,384	114,400	73%
Variance	\$12,564	\$0	\$0	\$12,564	\$10,728		\$96	\$307	
<b><u>TOTAL ALL FUNDS</u></b>									
Revenues	\$998,217	\$20,377	\$13,382	\$1,031,976	\$375,503	36%	\$413,948	\$328,484	79%
Expenses	1,017,377	0	(997)	1,016,380	319,889	31%	415,828	308,063	74%
Variance	(\$19,160)	\$20,377	\$14,379	\$15,596	\$55,615		(\$1,880)	\$20,421	



Academic Health Center  
Quarterly Performance Report  
Third quarter 1997  
Area: Academic Health Center

**NON-SPONSORED PROGRAMS -- REVENUE DETAIL**

	Revenue Plans			Third quarter Actual		Same Quarter Prior Year			
	Approved Annual Budget	Adjustments Fund Bal.	Perform.	Current Forecast	Dollars	% of Forecast	Total FY 96	March YTD FY 96	YTD % of Total
<b>Central Allocations</b>									
Central Reserves	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	0%
General O&M	97,990	2,210	0	100,199	97,990	98%	93,386	93,386	100%
State Special	22,340	1,289	0	23,629	22,340	95%	9,247	9,247	100%
ICR	12,930	738	0	13,668	12,930	95%	7,354	7,354	100%
Total Central Allocations	\$133,260	\$4,237	\$0	\$137,497	\$133,260		\$109,987	\$109,987	
<b>Generated Income</b>									
Private Practice (Net)	\$44,033	\$350	\$0	\$44,383	\$33,018	74%	\$41,184	\$25,885	63%
Internal Sales	13,033	221	0	13,254	9,097	69%	12,486	7,972	64%
External Sales	16,926	777	0	17,703	13,965	79%	17,277	12,106	70%
Tuition & Fees	1,620	0	0	1,620	1,301	80%	1,448	1,201	83%
University Hospital	18,753	3,058	0	21,811	10,502	48%	19,638	14,620	74%
Affiliated Hospitals	22,761	2,054	0	24,815	15,326	62%	21,917	16,883	77%
Total Generated Income	\$117,126	\$6,460	\$0	\$123,586	\$83,209	67%	\$113,951	\$78,667	69%
<b>Private Funds</b>									
Gifts	\$12,603	\$169	\$7,275	\$20,048	\$11,716	58%	\$18,337	\$12,441	68%
Investment Earnings	7,103	571	6,107	13,781	4,885	35%	10,724	6,854	64%
Total Private Funds	\$19,707	\$740	\$13,382	\$33,829	\$16,600	49%	\$29,061	\$19,295	66%
<b>Other Income</b>	\$4,884	\$5,081	\$0	\$9,965	\$4,980	50%	\$3,787	\$2,474	65%
<b>Net Transfers in/(Out)</b>	(\$31,425)	\$3,859	\$0	(\$27,566)	\$8,428	31%	\$684	\$3,354	490%
<b>Grand Total Revenues</b>	\$243,553	\$20,377	\$13,382	\$277,312	\$246,478	89%	\$257,468	\$213,777	83%

NON-SPONSORED PROGRAMS -- EXPENDITURE DETAIL

	Expenditure Plans			Third quarter Actual		Same Quarter Prior Year			
	Approved Annual Budget	Adjustments Fund Bal.	Perform.	Current Forecast	% of Forecast	Total FY 96	March YTD FY 96	YTD % of Total	
<b>Salaries</b>									
Faculty: Base					\$42,280		\$57,470	\$43,667	
Other Compensation					0		0	0	
P&A					20,173		26,095	19,544	
Total Faculty Salaries	\$114,600	\$0	(\$1,971)	\$112,629	\$62,453	55%	\$83,565	\$63,211	76%
Students	\$8,427	\$0	\$228	\$8,655	\$25,734	297%	\$35,383	\$26,642	75%
Other Academic	0	0	(3)	(3)	0	0%	0	0	0%
Civil Service/Union Salaries	48,784	0	33	48,817	36,405	75%	45,845	34,412	75%
Total Salaries	\$171,811	\$0	(\$1,713)	\$170,098	\$124,592	73%	\$164,793	\$124,264	75%
<b>Employee Benefits</b>	\$41,438	\$0	(\$431)	\$41,007	\$28,672	70%	\$35,780	\$26,557	74%
<b>Student Aid</b>	\$3,230	\$0	\$20	\$3,250	\$2,569	79%	\$2,969	\$2,619	88%
<b>Operations</b>									
Purchased Prof Services	\$8,758	\$0	\$102	\$8,860	\$7,984	90%	\$10,280	\$6,565	64%
Supplies & Services	14,536	0	(303)	14,233	10,236	72%	12,449	10,204	82%
Media Services	0	0	0	0	0	0%	0	0	0%
Lab/Medical Supp & Serv.	11,378	0	8	11,386	8,042	71%	10,719	7,169	67%
Computer Software	335	0	11	346	419	121%	140	90	64%
Communications	5,641	0	220	5,861	4,869	83%	5,700	4,187	73%
Maintenance Supplies	2,547	0	136	2,683	2,203	82%	2,618	1,884	72%
Travel	2,440	0	1	2,441	2,018	83%	2,675	1,782	67%
Equipment	9,707	0	812	10,519	7,245	69%	7,912	5,367	68%
All Other	3,455	0	141	3,596	2,742	76%	3,411	2,975	87%
Total Operations	\$58,797	\$0	\$1,128	\$59,925	\$45,759	76%	\$55,903	\$40,223	72%
<b>Grand Total Expense</b>	\$275,277	\$0	(\$997)	\$274,280	\$201,591	73%	\$259,445	\$193,663	75%

Quarterly Performance Report  
Third quarter 1997

Area: Academic Health Center

**SPONSORED PROGRAMS**

	Revenue and Expenditure Plans			Third quarter Actual		Same Quarter Prior Year			
	Approved Annual Budget	Adjustments Fund Bal.	Current Perform.	Forecast	Dollars	% of Forecast	Total FY 96	March YTD FY 96	YTD % of Total
<b>REVENUES</b>	\$754,665	\$0	\$0	\$754,665	\$129,026	17%	\$156,480	\$114,707	73%
<b>EXPENDITURES</b>									
<b>Salaries</b>									
Faculty: Base									
Other Compensation									
P&A									
Total Faculty	\$160,920	\$0	\$0	\$160,920	\$21,535	13%	\$27,703	\$20,602	74%
Students	\$4,280	\$0	\$0	\$4,280	\$8,356	195%	\$11,940	\$9,055	76%
Other Academic	0	0	0	0	0	0%	0	0	0%
Civil Service & Union Salaries	118,614	0	0	118,614	19,236	16%	26,385	19,678	75%
Total Salaries	\$283,815	\$0	\$0	\$283,815	\$49,127	17%	\$66,028	\$49,336	75%
<b>Employee Benefits</b>	\$66,081	\$0	\$0	\$66,081	\$12,107	18%	\$15,619	\$11,656	75%
<b>Student Aid</b>	\$5,964	\$0	\$0	\$5,964	\$1,132	19%	\$1,187	\$1,001	84%
<b>Operations</b>									
Purchased Prof Services	\$6,703	\$0	\$0	\$6,703	\$1,102	16%	\$1,115	\$848	76%
Supplies & Services	33,566	0	0	33,566	3,072	9%	4,567	3,164	69%
Media Services	0	0	0	0	0	0%	0	0	0%
Lab/Medical Supp & Serv.	61,124	0	0	61,124	10,196	17%	13,107	8,918	68%
Computer Software	609	0	0	609	137	22%	7	4	59%
Communications	11,050	0	0	11,050	1,577	14%	2,434	1,662	68%
Maintenance Supplies	3,390	0	0	3,390	478	14%	669	520	78%
Travel	9,902	0	0	9,902	1,329	13%	1,951	1,354	69%
Equipment	19,198	0	0	19,198	3,434	18%	4,342	3,340	77%
All Other	240,701	0	0	240,701	34,606	14%	45,357	32,598	72%
Total Operations	\$386,241	\$0	\$0	\$386,241	\$55,932	14%	\$73,549	\$52,407	71%
<b>Grand Total Expense</b>	\$742,101	\$0	\$0	\$742,101	\$118,298	16%	\$156,384	\$114,400	73%
<i>Add to/(Draw from) Reserves</i>	\$12,564	\$0	\$0	\$12,564	\$10,728		\$96	\$307	

**COMPARISON OF CURRENT AND PRIOR YEAR FINANCIAL PERFORMANCE**  
 (Dollars in Thousands)

**NON-SPONSORED PROGRAMS**

	<u>Comparison of Current Budget and Actual Prior Year</u>				<u>YTD Comparison</u>			
	<u>Approved FY 97</u>	<u>Total FY 96</u>	<u>FY 97 Better/(Worse) FY 96</u>		<u>March YTD</u>	<u>March YTD</u>	<u>FY 97 Better/(Worse) FY 96</u>	
	<u>Annual Budget</u>		<u>Dollars</u>	<u>Percent</u>	<u>FY 97</u>	<u>FY 96</u>	<u>Dollars</u>	<u>Percent</u>
<b><u>REVENUES</u></b>								
<b><u>Central Allocations</u></b>								
Central Reserves	\$0	\$0	\$0	0%	0	\$0	\$0	0%
General O&M	97,990	93,386	4,603	5%	97,990	93,386	4,603	5%
State Special	22,340	9,247	13,093	142%	22,340	9,247	13,093	142%
ICR	12,930	7,354	5,577	76%	12,930	7,354	5,577	76%
<b>Total Central Allocations</b>	<b>\$133,260</b>	<b>\$109,987</b>	<b>\$23,273</b>	<b>21%</b>	<b>\$133,260</b>	<b>\$109,987</b>	<b>\$23,273</b>	<b>21%</b>
<b><u>Generated Income</u></b>								
Private Practice (Net)	\$44,033	\$41,184	\$2,849	7%	\$33,018	\$25,885	\$7,134	28%
Internal Sales	13,033	12,486	546	4%	9,097	7,972	1,125	14%
External Sales	16,926	17,277	(350)	-2%	13,965	12,106	1,859	15%
Tuition & Fees	1,620	1,448	172	12%	1,301	1,201	100	8%
University Hospital	18,753	19,638	(885)	-5%	10,502	14,620	(4,118)	-28%
Affiliated Hospitals	22,761	21,917	844	4%	15,326	16,883	(1,558)	-9%
<b>Total General Income</b>	<b>\$117,126</b>	<b>\$113,951</b>	<b>\$3,176</b>	<b>3%</b>	<b>\$83,209</b>	<b>\$78,667</b>	<b>\$4,542</b>	<b>6%</b>
<b><u>Private Funds</u></b>								
Gifts	\$12,603	\$18,337	(\$5,734)	-31%	\$11,716	\$12,441	(\$725)	-6%
Investment Earnings	7,103	10,724	(3,620)	-34%	4,885	6,854	(1,969)	-29%
Other	0	0	0	0%	0	0	0	0%
<b>Total Private Funds</b>	<b>\$19,707</b>	<b>\$29,061</b>	<b>(\$9,354)</b>	<b>-32%</b>	<b>\$16,600</b>	<b>\$19,295</b>	<b>(\$2,694)</b>	<b>-14%</b>
<b>Other Income</b>	<b>\$4,884</b>	<b>\$3,787</b>	<b>\$1,098</b>	<b>29%</b>	<b>\$4,980</b>	<b>\$2,474</b>	<b>\$2,507</b>	<b>101%</b>
<b>Net Transfers in/(Out)</b>	<b>(\$31,425)</b>	<b>\$684</b>	<b>(\$32,109)</b>	<b>-4695%</b>	<b>\$8,428</b>	<b>\$3,354</b>	<b>\$5,073</b>	<b>151%</b>
<b>Grand Total Revenues</b>	<b>\$243,553</b>	<b>\$257,468</b>	<b>(\$13,916)</b>	<b>-5%</b>	<b>\$246,478</b>	<b>\$213,777</b>	<b>\$32,701</b>	<b>15%</b>

	Comparison of Current Budget and Actual Prior Year				YTD Comparison			
	Approved FY 97	Total FY 96	FY 97 Better/(Worse) FY 96		March YTD	March YTD	FY 97 Better/(Worse) FY 96	
	Annual Budget		Dollars	Percent	FY 97	FY 96	Dollars	Percent
<b><u>EXPENDITURES</u></b>								
<b><u>Salaries</u></b>								
Faculty: Base		\$57,470			\$42,280	\$43,667	\$1,387	3%
Other Compensation		0			0	0	0	0%
P&A		26,095			20,173	19,544	(630)	-3%
Total Faculty Salaries	\$114,600	\$83,565	(\$31,036)	-37%	\$62,453	\$63,211	\$758	1%
Students	8,427	35,383	26,956	76%	25,734	26,642	908	3%
Other Academic	0	0	0	0%	0	0	0	0%
Civil Service/Union Salaries	48,784	45,845	(2,939)	-6%	36,405	34,412	(1,993)	-6%
Total Salaries	\$171,811	\$164,793	(\$7,018)	-4%	\$124,592	\$124,264	(\$328)	0%
<b><u>Employee Benefits</u></b>	\$41,438	\$35,780	(\$5,659)	-16%	\$28,672	\$26,557	(\$2,115)	-8%
<b><u>Student Aid</u></b>	\$3,230	\$2,969	(\$261)	-9%	\$2,569	\$2,619	\$50	2%
<b><u>Operations</u></b>								
Purchased Prof Services	\$8,758	\$10,280	\$1,522	15%	\$7,984	\$6,565	(\$1,419)	-22%
Supplies & Services	14,536	12,449	(2,088)	-17%	10,236	10,204	(31)	0%
Media Services	0	0	0	0%	0	0	0	0%
Lab/Medical Supp & Serv.	11,378	10,719	(658)	-6%	8,042	7,169	(873)	-12%
Computer Software	335	140	(196)	-140%	419	90	(329)	-365%
Communications	5,641	5,700	58	1%	4,869	4,187	(682)	-16%
Maintenance Supplies	2,547	2,618	70	3%	2,203	1,884	(320)	-17%
Travel	2,440	2,675	235	9%	2,018	1,782	(236)	-13%
Equipment	9,707	7,912	(1,795)	-23%	7,245	5,367	(1,878)	-35%
All Other	3,455	3,411	(44)	-1%	2,742	2,975	233	8%
Total Operations	\$58,797	\$55,903	(\$2,894)	-5%	\$45,759	\$40,223	(\$5,536)	-14%
<b>Grand Total Expense</b>	<b>\$275,277</b>	<b>\$259,445</b>	<b>(\$15,832)</b>	<b>-6%</b>	<b>\$201,591</b>	<b>\$193,663</b>	<b>(\$7,928)</b>	<b>-4%</b>

**ACADEMIC HEALTH CENTER  
DISTRIBUTION OF CENTRAL ALLOCATIONS FOR FY 1998**

\$'s in thousands

	State Subsidy	Tuition	State Special	ICR	Total	% of Total
UMD- School of Medicine	\$4,550	\$1,243			\$5,793	4.1%
School of Dentistry	9,476	3,628		460	13,564	9.7%
TC-Medical School	34,585	12,048	1,163	11,237	59,033	42.1%
School of Nursing	2,754	1,705		149	4,608	3.3%
College of Pharmacy	3,615	2,685		426	6,727	4.8%
School of Public Health	3,905	1,713	410	3,334	9,362	6.7%
College of Veterinary Medicine	9,657	3,211	2,160	409	15,438	11.0%
Subtotal Schools	\$68,542	\$26,233	\$3,733	\$16,016	\$114,523	81.6%
<b><u>AHC-Shared Activities</u></b>						
<b><u>Restricted Accounts *</u></b>						
Legislative Initiative Funds			\$2,000		\$2,000	
Faculty Research Grants	250				250	
Medical Research and Education	12,634				12,634	
AHC Strategic Investment Pool	1,506				1,506	
Contingency Account	692				692	
County Papers			333		333	
MnCare			2,537		2,537	
MMCT	150				150	
Scholarships	1,197				1,197	
Student Services	90				90	
Medical/Cancer Research	453				453	
Subtotal	16,971		4,870		21,841	15.6%
<b><u>Special Funds</u></b>						
Compensation Strategy Pool	66				66	
Biomedical Engineering	300				300	
IMG Space	120				120	
Pending Tuition/ICR SWAPS	(387)			241	(146)	
Interdisciplinary Tuition	24	147			171	
Subtotal	\$123	\$147	\$0	\$241	\$511	0.4%
<b><u>Other</u></b>						
SVP-Health Sciences Operations	1,625			4	1,628	1.2%
AHC Support Services **	1,836				1,836	1.3%
	<u>\$89,097</u>	<u>\$26,380</u>	<u>\$8,603</u>	<u>\$16,260</u>	<u>\$140,340</u>	<u>100.0%</u>

\* These funds will be distributed to the Colleges and Schools after July 1

\*\* Facilities Management, Human Resources, Communications, and Information Technology

6/25/97

Folder: Operating Budgets

File: SVPHS Allocation Letters 6/25