

WORCESTER STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE & FACILITIES MEETING
Thursday, June 4, 2026
11:00 A.M.
REMOTE PARTICIPATION

Meeting Called By: Lawrence Sasso (Chair)

Minutes: Nikki Kapurch

Board Members: Dr. Lawrence Sasso (Chair), Amy Peterson (Vice Chair), Monica Aryitey, Esq., Darnell Dunn, Jacob Sanders

WSU Staff: Barry Maloney; Ashlynn Allain; Kathy Eichelroth; Nikki Kapurch

All documents are considered to be **drafts** until discussed and/or approved by the Board

AGENDA		
ITEM	RESPONSIBLE	ACTION
1. <i>Administrative Business</i> A. Call to Order B. Approval of the Minutes: 1. Finance & Facilities Committee - April 09, 2026*	Dr. Lawrence Sasso	1. vote required
2. <i>Finance & Facilities Committee Report</i> A. 535 Chandler Street Deferred Maintenance Work Memo* B. Indirect Cost Recovery Trust Fund Memo* C. FY 2027 Comprehensive University Budget* D. FY 2026 Quarter 3 Comparative Financial Reports*	Dr. Lawrence Sasso Kathy Eichelroth	A. vote required B. vote required C. vote required D. informational
3. <i>Administrative Updates</i> A. Other Business	Dr. Lawrence Sasso	
4. <i>Adjournment</i>	Dr. Lawrence Sasso	4. vote required

*Attachments

WORCESTER STATE UNIVERSITY
BOARD OF TRUSTEES
Finance & Facilities Committee Meeting
Meeting Minutes

CHAIR: Dr. Lawrence Sasso (Chair) DATE: April 9, 2026

LOCATION: Wellness Center, Rm 204 MINUTES BY: Nikki Kapurch

TIME: 2:00 PM

COMMITTEE MEMBERS PRESENT: Dr. Lawrence Sasso (Chair), Amy Peterson (Vice Chair) remotely, Darnell Dunn, Jacob Sanders

COMMITTEE MEMBERS ABSENT: Monica Aryitey, Esq

BOARD MEMBERS PRESENT: Dr. Lisa Colombo (Chair)

WSU STAFF: Ashlynn Allain; Kathy Eichelroth; Nikki Kapurch; Josh Katz; Barry Maloney; Lois Wims

The provisions of General Laws, Chapter 30A, having been complied with and a quorum present, a meeting of the Finance and Facilities Committee was held on Thursday, April 9, 2026, in room 204 of the Wellness Center. Chair Sasso called the meeting to order at 2:00 p.m. Trustee Sasso reported that one Trustee will participate by remote access and announced that all votes will be by recorded roll call.

FINANCE & FACILITIES COMMITTEE REPORT

Trustee Sasso called upon Vice President Kathy Eichelroth to walk the trustees through the FY 2027 Budget Planning PowerPoint (attached to the minutes).

- VP Eichelroth went over Worcester State's FY2027 budget planning progress, covering state funding updates, operational pressures, and a preview of the June budget proposal.
- Governor Healey's FY27 budget covers collective bargaining costs for employees, making full funding of these obligations a critical priority for all state universities.
- Formula funding — eliminated in FY26 and absent from the Governor's FY27 budget — remains the only state source that directly underwrites the operating budget, making its restoration a top advocacy priority.
- SUCCESS funding is included as a \$14M line item divided among state universities, with Worcester State averaging \$1.6M.
- The Governor's budget includes essentially level funding for many of the state financial aid programs.
- The BRIGHT Act bond bill is \$2.5B, has passed both chambers, and is now in conference committee, with full funding still pending.
- FY26 fair share supplemental funds include \$500K per campus for lab modernization design grants, intended to fund up to \$5M in projects per campus, plus an additional \$1.6M per university for repairs and campus security investments.
- Moody's affirmed an A2 rating with stable outlook in February; S&P also affirmed an A rating with stable outlook, citing solid financial management, robust state support, and healthy retention rates.
- Using EAB's five-level financial performance thermometer, finance leadership places Worcester State at Level 3, while the broader campus community tends to perceive it as Level 2. (Attached to the minutes)
- Post-COVID, the university has relied on cost containment, revenue enhancement, and enrollment retention strategies to offset the loss of formula funding and federal COVID subsidies.

- Budget development for FY27 will revisit previously prioritized commitments, evaluate operational-efficiency projects for continuous improvement, and assess temporary and part-time employee budgets for necessity and strategic alignment.
- Two priority new initiatives under consideration: expanding merit aid to secure first-year student deposits, and launching a multi-year major fundraising campaign focused on transformational leadership, regional vitality, and unlimited opportunities.
- A structural budget gap persists despite efficiencies and cost reductions, driven by cost escalation, inflation, and softening revenue. Restoring formula funding (\$1.8M average) would partially close this gap.
- For June, a balanced budget proposal will include identified state resources, savings, and a general fee increase not to exceed \$500, with a possible two-step implementation (\$250 in fall, \$250 reassessed after Thanksgiving based on state budget clarity).
- The House budget is expected before the end of April, and the Senate's before May; key lobbying priorities include maintaining collective bargaining cost coverage and Mass Grant Plus lines, both of which saw slight erosion this cycle.
- November ballot initiatives to roll back the Massachusetts income tax could trigger a 9C mid-year budget reduction, potentially cutting at least 10% of the state operating budget and affecting every program line.

Supplemental Audit Report

Included in the packet was the supplemental audit report covering Federal Funds expended by the university in FY 2025. This audit is a supplemental scope of work required by the federal government that expands the scope of the general financial statement audit to include testing of Federal Fund Awards.

- The first 52 pages of the report are the university's audited financial statements for the year ended June 30, 2025.
- Pages 54 through 63 reference the opinion letters and audit work performed solely on the federal funds expended in FY 2025. The most important pages of this report are on 61-62, Schedule of Findings and Questioned Costs. The results of this year's audit, as reported on these pages, are that the auditors did not find any items of concern that resulted in findings or questioned costs, and that the university is in full compliance with the rules for spending of its federally funded programs.
- We have been in contact with Bollus Lynch regarding the filing of this report with the federal oversight agency. The report must be filed by March 31, 2025. In the past, the federal government provided opportunities for extensions, which we have taken advantage of, however extensions of time to file are not available this year. So we did get Chair Sasso's approval and the presidential approval to file.

The clean audit results and compliance with federal requirements further highlight WSU's commitment to financial accountability and governance.

With there being no further business, the WSU Board of Trustees Finance & Facilities Committee meeting was adjourned.

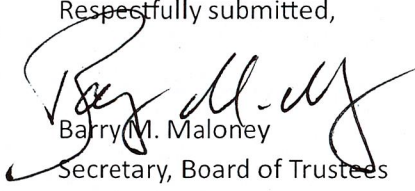
Upon a motion made by Trustee Dunn and seconded by Trustee Sanders, it was unanimously

VOTED: **to adjourn the meeting at 2:35 p.m.**

ROLL CALL VOTE: Dr. Lawrence Sasso (Chair), Amy Peterson (Vice Chair) remotely, Darnell Dunn, Jacob Sanders

WSU Board of Trustees
April 9, 2026

Respectfully submitted,



Barry M. Maloney
Secretary, Board of Trustees



WORCESTER
STATE
UNIVERSITY

FY 2027 Budget Planning

Kathleen Eichelroth

Vice President for Administration and Finance/CFO



FY 2027 State Budget Process

On February 12th President Maloney provided a FY 2027 Budget Update to the WSU community [President Maloney FY27 budget update](#)

- The communication noted that on January 28, Gov. Maura Healey released her FY27 budget recommendations, and it is now working its way through the legislative process.
- The following items have a direct impact on our operating budget:
 - **CBA obligations:** The governor's budget includes annualized funding for our FY26 union bargaining obligations for employees and partially funds our FY27 obligations. Securing full funding for FY27 CBA obligations is a critical priority for Worcester State and all state universities.
 - **Formula funding:** The state universities are advocating for restoration of formula funding that was eliminated in the FY26 budget and is not included in the Governor's budget. Formula funding provides a more equitable distribution of state funds according to each university's enrollment and performance.
 - **SUCCESS Funding:** The Governor's budget includes \$14 million in SUCCESS funding to be divided among the state universities. Worcester State's share of these dollars has averaged \$1.6 million and we support the third year of funding for SUCCESS.
 - **State Financial Aid:** The Governor's budget includes essentially level funding for many state financial aid programs, such as the MassGrant Plus program, which has helped Worcester State increase financial aid offers to students in recent years, including the university's [ValuePlus program](#). However, funding at FY26 levels remains significantly below what Worcester State received in FY25, creating challenges in delivering robust financial aid packages to students.

FY 2027 State Budget Process - continued

- Other supplemental funding initiatives in the works for FY 2027 include the following:
 - **Early College:** The Governor continues to strongly back Early College, and has included funds for expansion in her budget. Exposing high school students to the quality of a Worcester State education, as well as helping them gain college credits, is a win-win for the university and for students.
 - **BRIGHT Act:** This bond bill from Gov. Healey will provide \$2.5 billion from Fair Share tax revenue for deferred maintenance and capital investment in the state's public colleges and universities. In November, the House passed the bill, and the Senate adopted a version in February. The next step is for it to go to conference committee. Passing of the BRIGHT Act is critical to carrying out our Master Plan which is currently in development.
- FY 2026 Fair Share Supplemental Budget:
 - Additional deferred maintenance funds are being made available in FY 2026 with spend authorization through June 30, 2028.
 - Campuses are being provided \$500,000 Lab modernization design grants, with the Governor intending to fund the work with campus grants of \$5M each to be funded through the BRIGHT Act.
 - In an effort to reduce deferred maintenance backlogs each state university is receiving \$1.65M in supplemental funds to address needed repairs and improvements. There is also expanded flexibility to use these funds for campus security investments.

FY 2027 State Budget Process - continued

- Other State University Budget priorities being pursued include:
 - Level funding of the Internship Incentive Program
 - Additional funds for MassGrant Plus Expansion Program to cover tuition and fees for all students whose families make less than \$100k
 - Funds to restore student behavioral and mental health grants
- Operating Resources
 - The majority of state resources are earmarked to support specific programs and initiatives.
 - For many years Formula Funding has been the only resource that increases baseline operating appropriations to the campuses (in an effort to address increasing costs of operating a institution).
 - A Formula Funding allocation was not provided for in the final FY 2026 budget and was not proposed by the Governor for FY 2027.

Campus Resources

- Post-Covid, annual Formula Funding allocations had been relied upon heavily
 - to backfill the loss of federal operating subsidies during Covid
 - and compensate for the effects of enrollment decline due to the demographic cliff and changes in behavior patterns of college age students
- Without increased funding for operations in our base state appropriation
 - we have relied on opportunities for
 - cost containment
 - revenue enhancement
 - student recruitment
 - student retention.
- While pursuing these strategies we have found it necessary to increase rates annually in an effort to stabilize operating resources.
- In addition to these strategies, we will focus on prioritizing data-driven decisions as the basis for informing the allocation of limited resources.

FY 2027 Budget Discussions

Division Level meetings occurred during the months of February and March and the following information was shared

Good news: stable rating reviews by S&P and Moody's

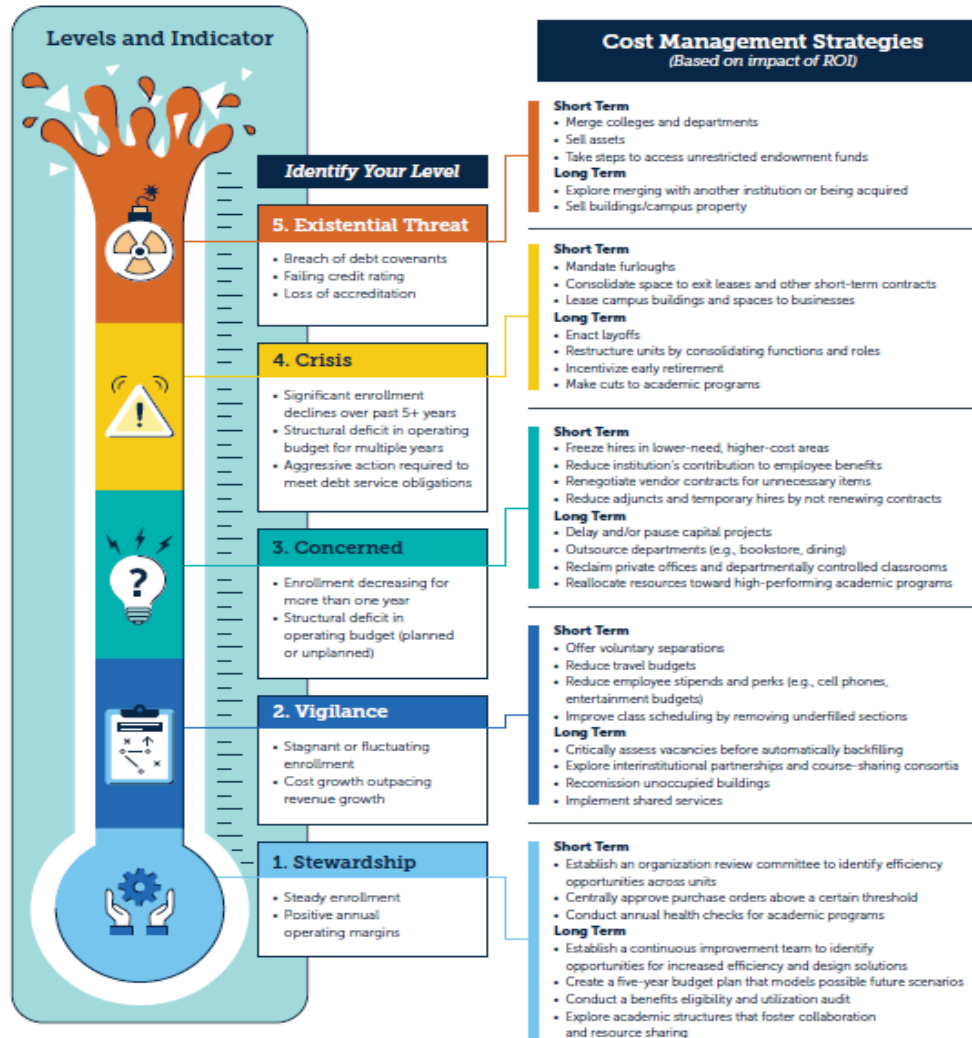
- ✓ As of February 2026, [Moody's Ratings](#) has affirmed the **A2 issuer and revenue bond ratings** for Worcester State University (MA), maintaining a stable outlook.
- ✓ In November 2025 S&P Global Ratings, affirmed Worcester State University (WSU) **A** rating with a stable outlook reflecting its **solid financial management, robust state support, healthy retention rates, pro-active management team, and somewhat variable enrollment trend.**

Discussed operational pressures using a thermometer graphic

The Five Levels of Financial Performance to Guide Proactive Planning in Higher Education

In response to the increased pressures facing higher education, EAB recommends a shift toward proactive financial planning: anticipating potential financial downturns and determining an institution's response in advance. This can break the cycle of reactive decision-making (and its unintended consequences), allowing leaders to chart a course toward sustainable financial health and longevity.

This infographic delineates five levels of financial performance and recommended cost management strategies for each. Use this infographic to determine your cost management strategy for both today and into the future.



FY 2027 Budget Discussions - continued

This slide was discussed during Division level meetings

“Budget managers and unit leaders were asked to take a careful, data-informed look at their current operations and planned requests—grounding decisions in enrollment trends, workload, outcomes, and alignment with institutional priorities. Building on our institutional commitment to operational excellence, we have an opportunity to engage thoughtfully in the process by asking questions, sharing ideas to improve efficiency or effectiveness, and supporting efforts that reduce costs, enhance revenue, or better align resources with student success.” [President Maloney FY27 Budget update](#)

Not So Good News: Significant Financial Pressures

- Enrollment
- Effectiveness of return from current programs:
 - UG
 - GR
 - CE
 - Other
- Residence Occupancy
- IT related investments
- Campus Safety Investments
- Direct Labor Costs
- Inflation
- Replacement Cycles
- Inventory of Enterprise Risks
- Fluctuating Structural Budget Deficit
- OTHER.....



Potential Response Actions

- Evaluation of existing practices with fresh eyes
- Optimize DL costs (greatest asset is people: are their efforts strategically focused)
- Focused approach to revenue opportunities
- Resource prioritization for best return
- Investment of resources to reduce costs or increase return
- Align decisions with Strategic Plan
- Implement Master Plan and use data for future planning
- Focus on being a data driven institution
- Set timelines and benchmarks
- Practice continuous improvement
- OTHER.....

FY 2027 Budget Development

Assessment and Reconciliation Process

- **Assessment**

- In FY 2025, through the collaborative budget process, various prioritized commitments were funded. As we plan for FY 2027 we will revisit these initiatives, assess the outcomes and determine the level of commitment to further fund the initiative going forward
- The outcome of various operational efficiency projects that have been accomplished in the most recent years will be evaluated to assess the outcomes and ensure they are being re-evaluated through a continuous improvement cycle.
- In line with the new data driven rubric for full time position hiring, the temporary and part-time employee budget categories will be reviewed and evaluated for operational necessity, strategic alignment, financial viability, and sufficiency of workload demand.

- **Reconciliation**

- Roll forward all direct labor costs, including collective bargaining increases, and re-setting benefit cost estimates in alignment with the Commonwealths negotiated fringe benefit rates.
- Identify and re-direct operating costs associated with resources outside the operating budget such as grants and other trust funds
- Review reliable trends and data evidencing potential revenue growth/decline.

FY 2027 Budget Development - continued

Initiatives and Gap Analysis

■ Initiatives

- Through the reconciliation process, continuing and new initiatives will be identified and resources from completed initiatives and unfunded items will be removed
- Priority initiatives under consideration include:
 - a proposal to expand merit aid in an effort to grow first year student deposits and at a minimum to maintain steady first year deposits at a time when other institutions are struggling to maintain their first year deposit numbers.
 - Investment in a multi-year Major fundraising campaign focusing on three major themes; Cultivate Transformational Leadership, Strengthen Regional Vitality, and Unlock Boundless Opportunity

■ Gap Analysis

- Once the reconciliation process is complete we anticipate having a budget gap similar in magnitude of what we have experienced over the past several years.
- While we continue to chip away at the budget deficit through efficiencies, cost reductions and selective rate increases we continue to experience a gap due to cost escalation, inflation and softening of our revenue streams
- While we continue to advocate for Formula Funding which would provide a boost to our operating budget and assist in underwriting the increasing costs of operating a university –
 - we fear that January 2027 may bring with it a series of reductions to our operating appropriation and Massachusetts financial aid resources

Preview of June Budget Package

Filling the Budget Gap

- The operating budget deficit will be identified
 - All identified state resources will be included in the plan
 - All cost saving/revenue generating initiatives will be identified and net savings/net new revenue estimated
 - a General Fee increase will be requested (not to exceed \$500 per yr.)
 - An amount of appropriated reserves will be identified
- Consideration will be given to the **risk of reductions to state funding at mid-year**
- Consideration will be given to implementing a fee increase in two steps allowing for reconsideration of any projected budget deficit should state resources not be reduced and/or additional operating resources are made available through the budget process
- Other trust fund budgets will be reconciled and balanced with consideration of the need for other program fee increases



WORCESTER
STATE
UNIVERSITY

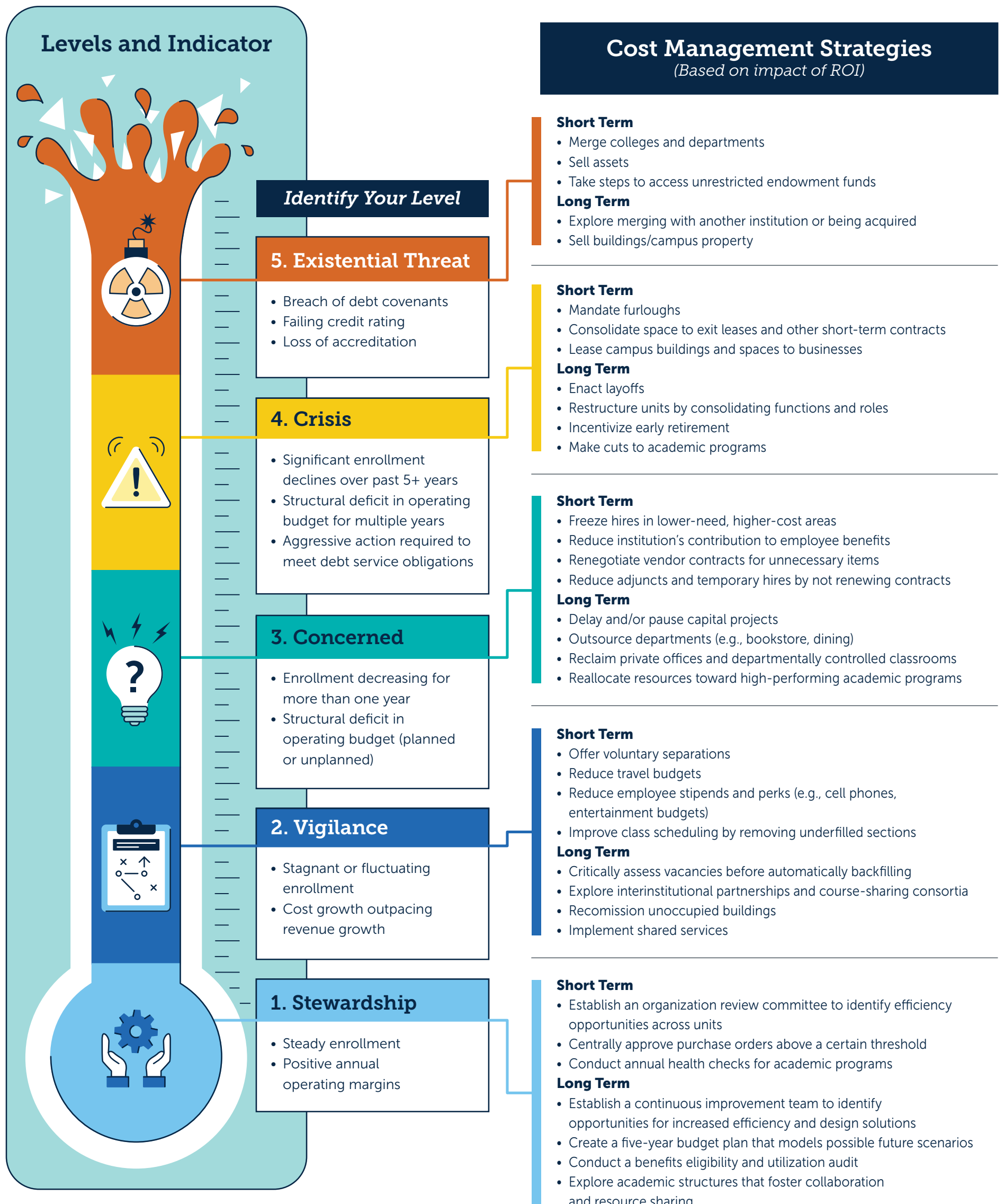
Questions and comments



The **Five Levels** of Financial Performance to Guide Proactive Planning in Higher Education

In response to the increased pressures facing higher education, EAB recommends a shift toward proactive financial planning: anticipating potential financial downturns and determining an institution's response in advance. This can break the cycle of reactive decision-making (and its unintended consequences), allowing leaders to chart a course toward sustainable financial health and longevity.

This infographic delineates five levels of financial performance and recommended cost management strategies for each. Use this infographic to determine your cost management strategy for both today and into the future.





Memorandum

DATE: May 14, 2026
TO: Barry M. Maloney, President
FROM: Kathleen Eichelroth, Vice President for Administration and Finance *Kathleen*
RE: **535 CHANDLER STREET DEFERRED MAINTENANCE WORK**

Attached are three quotes for deferred maintenance repairs to be performed at the President House at 535 Chandler Street.

The proposed repairs include work necessary to address some ice dam damage that occurred in the bathroom during this past harsh winter season. The work includes scraping, applying mold killer, patching and repainting of the bathroom ceiling.

The second scope of work addresses deficiencies with the garage due to the age of the structure. Repairs planned include reinforcing the concrete footings in an effort to secure and stabilize the structure, in addition to replacing the garage door.

The total estimated combined costs for the described projects is \$21,823. Funding is available to perform this work as soon as it can be scheduled.

The Commonwealth of Massachusetts Trust Fund Guidelines issued by the DHE require board of trustee approval for the university to expend these funds.

Please let me know if you have any questions or concerns.

Stutman Contracting, Inc.**ESTIMATE**18 Sutton Avenue
Oxford, MA 01540**Phone:** (508) 987-9472
Fax: (508) 987-9856**No. 435**

TITLE: 535 Ceiling Repair**DATE:** 04/03/2026**PROJECT:** RFR 23-04
Carpentry and Painting Contract 23-26**TO:** Attn: Facilities
Worcester State College
486 Chandler St.
Worcester, MA 01602-2597
Phone:508-929-8026 Fax:508-929-8180

DESCRIPTION

Cost to repair bath ceiling at 535 Chandler Street per RFR 23-04

Work shall be as described below:

Scrape all peeling paint

Coat ceiling with mold killer

Patch ceiling as needed

Paint ceiling with a mold resistant paint for high humidity areas

Belongings must be removed from counters, shelves, and floor

Total: \$3,300.00**Prepared By:** Steven D. LeBoeuf
Steven LeBoeuf**Date:** 04/03/2026

Stutman Contracting, Inc.**ESTIMATE**18 Sutton Avenue
Oxford, MA 01540**Phone:** (508) 987-9472
Fax: (508) 987-9856**No. 411R1**

TITLE: 535 Chandler Garage Footing**DATE:** 02/03/2026**PROJECT:** RFR 23-04
Carpentry and Painting Contract 23-26**TO:** Attn: Facilities
Worcester State College
486 Chandler St.
Worcester, MA 01602-2597
Phone:508-929-8026 Fax:508-929-8180

DESCRIPTION

Cost to reinforce footing at garage on 535 Chandler Street per RFR 23-04

Work shall be as described below:

Sawcut asphalt on one side about 2' wide x 20' long and back corner about 4' each direction

Dig down to below base CMU about 12"

Pour concrete to fill under CMU and to about 3" above asphalt against CMU then pitched flush to asphalt.

Dispose of asphalt and extra soil.

Quote is using prevailing wage labor at normal hours

Total: \$12,885.00**Prepared By:** Steven D. LeBoeuf

Steven LeBoeuf

Date: 02/03/2026

Stutman Contracting, Inc.**ESTIMATE**18 Sutton Avenue
Oxford, MA 01540**Phone:** (508) 987-9472
Fax: (508) 987-9856**No. 410R1**

TITLE: 535 Chandler Garage Door**DATE:** 02/03/2026**PROJECT:** RFR 23-04
Carpentry and Painting Contract 23-26**TO:** Attn: Facilities
Worcester State College
486 Chandler St.
Worcester, MA 01602-2597
Phone:508-929-8026 Fax:508-929-8180

DESCRIPTION

Cost to replace garage door at 535 Chandler Street per RFR 23-04

Work shall be as described below:

Remove existing garage door and opener
Install new 16' wide x 7' tall overhead door
Install new vinyl weatherstripping
Install new automatic door opener. (assumes power works to existing)New door shall be skyline flush panel door (see attached)
New opener shall be Legacy 850 Operator (see attached)

Quote is using prevailing wage labor

Total: \$5,638.00**Prepared By:** Steven D. LeBoeuf
Steven LeBoeuf**Date:** 06/20/2025



Memorandum

DATE: May 11, 2026

TO: Barry M. Maloney, President

FROM: Kathleen Eichelroth, Vice President for Administration and Finance

RE: INDIRECT COST RECOVERY TRUST FUND (406)

The purpose of an Indirect Cost Recovery Rate (ICRR) is to reimburse universities for the shared expenses and infrastructure costs that support research and programs but cannot be easily tied to a single specific externally funded project. Without this recovery, universities must divert funds from other institutional priorities like teaching or student services to cover the real costs of supporting research and programs.

Improving indirect cost recovery ensures more money remains available to fund direct operating expenses. Recovering costs frees up funds that can go toward other critical needs, new projects or assist in bridging budget gaps.

WSU has had a negotiated ICRR for almost two decades. While this recovery rate has been in place it has not been consistently applied when preparing grant and revenue contract proposals. Since the formation of the Office of Grants and Sponsored Research (OSGR) funding applications have increasingly included a cost recovery component. The work of the Financial Sustainability Task Force and Operational Excellence efforts have also drawn attention to the need to recover indirect costs as part of negotiating private revenue contracts.

For FY 2027 we are creating the Indirect Cost Recovery Trust Fund (ICRTF) as a means to bridge the operating budget gap. As with many back-office functions, the costs associated with the OGSR are included in the pool of indirect costs associated with supporting research and program activities. The pool of indirect costs are the basis of a university's overhead rate request that is negotiated with Department of Health and Human Services approximately every five years.

When evaluating the cost recoveries received in recent years a positive trend has been demonstrated since 2024 with a cumulative recovery over the past three years to date of \$751,198. The Indirect Cost Recovery Trust Fund will be funded initially by transferring the \$751,198 of funds recovered since 2024 from The General Fund Trust Fund reserve. Future recoveries beginning in July 1, 2026 will be deposited directly to the ICRTF. The initial goal of the trust fund will be to underwrite the costs of the OGSR. Transferring the departmental budget for the OGSR to the ICRTF will match recovered funds with the effort focused on securing vital funding for research and other programs to progress the mission of the university. Moving the departmental expenses from the operating budget also assists in bridging the budget gap.

Future efforts to improve our indirect cost recovery by regularly reviewing and updating our rate agreements, ensuring accurate documentation and consistent application of rates and advocating for full cost recovery where possible, will increase opportunities to shift additional costs to the ICRTF thereby freeing up resources in the operating budget.

The attached trust fund agreement for the Indirect Cost Recovery Trust Fund (406) describes the purpose of the trust fund and establishes a guideline for allowable revenue and expenditures. Also attached are the Standards for the Expenditure of Trust Funds as promulgated by the Board of Higher Education.

The ICRTF budget as prepared for FY 2027 reflects a transfer from The General Trust Fund reserves of indirect cost recovery earned between July 1, 2023 through April 30, 2026 that has been recorded as income in The General Trust Fund. Income for FY 2027 is budgeted at \$150,000. Expenditures of \$430,012 are budgeted to support the Office of Grants and Sponsored Research with anticipated surplus of resources to remain in the fund at the close of FY 2027 of \$471,186.

It is anticipated that the trust fund will be able to fund one additional year of operating costs for the OGSR in FY 2028, if the FY2027 budget is realized. Beyond that fiscal year it may be necessary to supplement cost recovery deposits with university operating resources, requiring a transfer into the ICRTF from The General Trust Fund. While supplemental funding may be necessary going forward, it is important to report the cost recovery deposits in an independent trust fund in an effort to apply the recovery receipts to appropriate expenditures to the fullest extent possible.

Going forward the A&F team will work with the OGSR to prepare and submit an annual budget for the Indirect Cost Recovery Trust Fund as part of the comprehensive budget package that is approved by the Board of Trustees.

<u>Name of Trust Fund</u>	Indirect Cost Recovery Trust Fund
<u>Date established</u>	July 1, 2026
<u>Purpose of Fund</u>	To hold money received by the university as reimbursement for services rendered in support of grants and contracts and to apply the recovered funds as an offset to those indirect costs in future budget cycles.
<u>Source number</u>	406
<u>Source of revenue</u>	Sources of revenue includes receipts from Indirect Cost Recovery funds assessed on grants and contract as permitted per agreement. Current accounts include federal (38001), state (38002) and private (38003). Transfers in from The General Trust Fund as necessary to offset budgeted expenses.
<u>Appropriate expenditures</u>	<p>The cost of actual expenditures that are essential to ensuring compliance with grant management and other administrative functions necessary to support and conduct the research/programs.</p> <p>The scope of expenditures includes those used to determine the Indirect Cost Recovery Rate. The recovery rate allows the university to recoup money spent on:</p> <ul style="list-style-type: none"> • Administration [grants office, procurement, accounting, payroll, legal services and departmental administrative support] • Compliance [ensuring research/programs meet federal, state and other regulations and ethical guidelines]
<u>Inappropriate expenditures</u>	Those in violation of the Worcester State University “Accounting Policy and Procedure Manual”.
<u>Separate bank account</u>	No

Worcester State University
 Indirect Cost Recovery Trust Fund (406)
 FY 2027 Budget

	FY2027 Requested Budget
Sources of Funds:	
Other Income	\$ 150,000
Transfer in- General Trust Fund	\$ 751,198
Total Sources	\$ 901,198
Uses of Funds:	
AA Regular Employees	\$ 279,170
BB Employee Related Expenses	10,000
CC Temporary Part-Time Employees	-
DD Staff Benefit Expenses	128,725
EE Administrative Expenses	8,480
FF Facility Operation Supplies	1,060
HH Professional Services	-
JJ Operational Services	500
LL Equipment Lease, Maintenance, Repair	1,060
RR Educational Assistance	-
UU Technology Expenses	1,017
Transfer Out - Reserves	471,186
Total Uses	\$ 901,198
Net Sources / (Uses)	\$ -

BOARD OF HIGHER EDUCATION

STANDARDS FOR THE EXPENDITURES OF TRUST FUNDS

Adopted May 9, 1989
Revised June 6, 1990
Revised October 13, 1992
Revised December 5, 2000

The Commonwealth of Massachusetts

ROLE OF TRUST FUNDS

The term “trust funds” as used in public higher education refers to non-appropriated funds held by the public institutions of higher education.

In Massachusetts, trust funds play an important role in financing the educational needs of all students in the public higher education system. The statutory authority for trust funds in Massachusetts is found in Massachusetts General Laws chapter 15A, Section 9 (N) and 22 (E), Chapter 73 Section 14 and Chapter 75 Section 11 . The language contained in the various statutes provide authority for the Board of Higher Education and institutional boards of trustees to seek, accept, establish and administer trust funds for campus projects, programs and activities. The statutes stipulate that all income received be held in trust and be expended for the purposes for which the trust funds were established. It is important, therefore, that institutions carefully review the purposes for which a trust fund has been established before making any expenditures from the trust fund. Trust funds are used to complement state appropriations in order to ensure sufficient funding of an institution’s total needs. Without trust funds, the Commonwealth’s appropriation would have to be increased or some services could not be undertaken. Trust funds can also provide a vehicle to manage supplemental programs to better meet the needs of the college or university community.

Typically, trust fund revenues are used in connection with a variety of campus activities such as auxiliary enterprises (e.g., student housing, bookstores, food service, vending machines), student activities, financial aid, medical services, public services and research. These funds are self-sustaining. The public colleges and the University have two primary sources of income: state appropriations and local campus revenues or trust funds.

- The expenditure of state appropriated funds is governed by detailed state regulations which control expenditures for all state agencies. Statutory authority for enforcing state regulations rests with several entities including the State Comptroller. The Office of the State Auditor has authority under Chapter 11, Section 12 of the Massachusetts General Laws to audit colleges and universities programmatic and financial activity including trust funds in accordance with General Accepted Government Auditing Standards.
- Trust funds expenditures, however, are regulated differently. Although technically “public” funds, trust funds are not “appropriated” funds, and therefore, are not subject to the same spending rules and regulations as appropriated funds. In many cases, other external regulations govern expenditures of campus trust funds. For example, sponsored research trust funds would be subject to federal and state regulations concerning the expenditure of research monies. Student housing funds may be governed by regulations pertaining to debt service payments associated with dormitory construction. Where external, third-party regulations do not exist, responsibility for regulating and controlling the expenditure of campus trust funds rests with local boards of trustees. The Board of Higher Education

does not have statutory authority over institutional trust funds. The Office of the State Auditor has statutory authority to audit Trust Fund revenue and expenditures.

Because trust fund regulations are locally developed and controlled, they vary from institution to institution and there is a wide spectrum of institutional policies, procedures and regulations which apply. They range from extremely limited regulations to conformity with all state regulations pertaining to appropriated funds. In the vast majority of cases, the guidelines can be considered general in nature, leaving much to the discretion of institutional boards and administrators.

PURPOSE OF THE STANDARDS

A generally shared objective of the Commonwealth of Massachusetts is to improve the quality and effectiveness of its public higher education system and to raise it to a position of leadership in the United States. It is important that the development, utilization, and management of trust funds be conducted in a manner that meets with general approval. Clearly, expenditures from trust funds should be consistent with this overall, long-range goal.

Therefore, these standards for the expenditure of trust funds are intended:

1. To provide some guidance and suggestions on selected expenditures made in the interest of promoting the mission of the institution.
2. To outline recommended standards for expenditures which have the appearance of providing personal benefits to college officials and friends, or of being lavish or extravagant in nature.

It is impossible to discuss every conceivable type of expenditure, which might be made from these funds. These standards are designed to provide greater clarity and more uniformity in the determination of appropriate and inappropriate expenditures of these funds.

The standards should be considered minimum standards. Local boards of trustees must develop institutional guidelines and standards which may be more but not less restrictive.

The standards in this report are designed to apply primarily to those trust funds, which permit broad, discretionary expenditures. However, they shall also be applied to expenditures from all trust funds established by boards of trustees, which are not governed by external (non-trustee) regulations or restrictions.

Underlying Principles

A number of important principles underlie these standards:

1. Institutional autonomy and flexibility as well as local decision-making are important and should be encouraged. These standards should not be construed as an attempt to usurp local authority or to centralize decision-making. Each institution must have the flexibility to fulfill its distinctive mission within the public higher education system.
2. No set of general or detailed guidelines can be a substitute for personal ethics and sound judgment. Expenditures of trust funds should be made with the assumption that those decisions and choices will become public knowledge.
3. Local boards of trustees have the responsibility to issue guidelines to ensure that all Trust Fund revenues due to be received have been received and properly deposited and accounted for.
4. Local boards of trustees have the responsibility to issue clear guidelines for the expenditure of trust funds and to establish the mechanism and structures to actively review these expenditures. Accountability is a critical component of local autonomy. Individuals and institutions should be held accountable for their choices and decisions, including the expenditure of trust funds.
5. Public colleges and the University are members of and participants in the larger communities they serve. As such, they must interact with community groups and civic associations and it can be appropriate for them to make modest and limited expenditures in support of these entities.
6. State institutions, like private institutions, must engage in activities which promote employee morale, generate philanthropic support and enhance the well-being of the institution. Accordingly, reasonable and appropriate expenditures to support such activities can and should be made.
7. Trust funds should not be spent in a manner which gives the impression of lavishness or extravagance. Travel, entertainment and other expenditures should be made in moderation and good taste.
8. Expenditure of trust funds may be subject to federal and state income taxation if they exceed normal allowances, are not adequately accounted for, and/or do not satisfy a requirement that the expenditure was accomplished to satisfy the business needs of the institution.

The following pages outline minimum standards to ensure the proper control of the receipt and expenditure of trust funds.

I. RESPONSIBILITY AND REPORTING

- (1) Responsibility for the specific trust fund guidelines and regulations rests with the institutional board of trustees. These guidelines should include policies

and procedures concerning trust fund revenue sources, appropriate and inappropriate expenditures, bank accounts, spending approval levels and required documentation.

- (2) Responsibility for trust administration rests with the president or chancellor of the institution. Records shall be maintained in accordance with proper accounting procedures, including documentation of receipts, disbursements and bank accounts.
- (3) Policies, procedures and internal controls should be established for all Trust Fund administrative and financial activity. All transactions and significant events should comply with Chapter 647 of the Acts of 1989, An Act Relative to Improving the Internal Controls within State Agencies, and the Office of the State Comptroller's Internal Control Guides for Departments.
- (4) All trust fund activities shall be subject to regular audit and inspection by the State Auditor's department and the Board of Higher Education.
- (5) Clear goals and objectives for the trust fund should be established by the institution and, where feasible, an annual budget should be developed, reviewed by the president and submitted to the board of trustees for approval before the beginning of each fiscal year. Such budgets should include sufficient detail to permit the identification of major expenditures. Expenditures should not exceed budgeted amounts for each Trust Fund without prior approval.
- (6) The president shall provide a detailed accounting of trust fund expenditures to the board of trustees on, at least, a quarterly basis and the audited financial statements to the Board of Higher Education on an annual basis. Additional reports may be requested at the discretion of either board.
- (7) The level of detail required in the quarterly and annual report is left to the discretion of the board of trustees at each campus. However, the level of detail must be sufficient to satisfy board member inquiries and audit requirements and it should also include:
 - certification by the president that all records were maintained in accordance with proper accounting procedures, including documentation of receipts, disbursements and bank accounts, and
 - relationship of the expenditure to institutional mission should be clearly stated or evident

In addition, the president and/or board of trustees should report all violations of trust fund expenditure standards as well as the follow-up action taken to address each violation to the Board of Higher Education. This report should be made on a quarterly basis if violations occur. If no violations occur during

the year, the audit report and management letter are required as confirmation of this fact.

- (8) Also in accordance with Chapter 647 of the Acts of 1989, An Act Relative to Improving the Internal Controls at State Agencies, all unaccounted for variances, losses, shortages or theft of funds or property shall be immediately reported to the Office of the State Auditor (OSA). The OSA is responsible to determine the internal control weaknesses that contributed to or caused an unaccounted-for variance, loss, shortage or theft of funds or property; make recommendations to correct the condition found; identify the internal control policies and procedures that need modification; and report the matter to appropriate management and, if appropriate, law-enforcement officials.
- (9) Wherever these standards require the board of trustees approval, approval may be given by any one of three entities: the full board, a sub-committee of the board or a designated trustee(s). The choice is up to the full board of trustees and should be included in the campus procedures or guidelines.
- (10) Wherever these standards require prior approval, the approval of the annual budget by the board of trustees satisfies prior approval requirements for any expenditure highlighted in these standards if that annual budget includes sufficient detail to permit the identification of said expenditure.
- (11) The president or his or her designees should have discretion over trust fund expenditures up to a ceiling specified by the board of trustees except in the following eight circumstances which require approval by the Board of Trustees regardless of the amount of the expenditures:
 - expenditures which personally benefit the president,
 - expenditures for renovations or repairs of president's office or home,
 - expenditures for individual's membership dues (in excess of \$500 for employees other than the president and for amounts in excess of \$1,000 for the president), except for fees or dues associated with professional organizations that directly advance the institution's mission,
 - expenditures for attendance at charitable dinners or events,
 - expenditures for trustee travel,
 - expenditures for entertainment of guests in president/chancellor's home,
 - expenditures for moving costs, and

- expenditures for purchase or lease of motor vehicles (for use by the president or other administrators.)

Additional discussion on the above expenditures are included in the following sections of the standards.

- (12) Individual expenditures over the ceiling as specified by the board of trustees require the prior approval of the board of trustees. Each board of trustees shall inform the Chancellor of the Board of Higher Education of the ceiling specified by that board.

II. CATEGORIES OF EXPENDITURE

(1) Expenditures of a Personal Nature

- A. Whenever an expenditure would personally benefit or might be seen to personally benefit an individual, that person is prohibited from approving such an expenditure, regardless of the dollar amount. In addition to any board approval required elsewhere in this document, in all such circumstances, an institutional official at a higher organizational level must approve the expenditure in advance.
- B. In the case of a president, the board of trustees must provide prior approval of such expenditures.

(2) General Campus Operations

- A. Facilities renovations, repairs, or decorations may be funded through a combination of the institution's appropriation from the Commonwealth and trust funds. When such expenditures for president/chancellor's home or office are to be made, they must have the prior approval of the board of trustees except in an emergency, in which case the board should be informed as soon as practicable. All such expenditures shall conform to the competitive bidding policies of the Commonwealth and to its associated procurement procedures.
- B. Contractor and consultant fees paid from trust funds should conform to state law pertaining to such activities.
- C. Publications, including president's reports, newsletters, advertisements, magazines, invitations and others should avoid the appearance of extravagance.
- D. Individual's membership fees for civic, academic and/or professional organizations in excess of \$500 must have prior approval by the board of trustees except for such memberships for the president so long as fees are not in excess of \$1,000.

- E. Outright contributions to charitable organizations are prohibited. However, where attendance at a charitable dinner or event will further the public purpose of the institution, expenditure may be permitted subject to prior approval by the board of trustees. The board of trustees may wish to impose a reasonable annual limit on such events for each organization.
- F. Contributions to individuals (or their associated committees) seeking elected, public office are prohibited.
- G. Contributions to political action committees (PACs) or equivalent organizations are prohibited.

(3) Travel and Substance Costs

- A. Employee Travel: When travelling to and from institutional business activities, actual expenditures for transportation, including bus, railroad, airline, subway, taxi and personal auto should be reimbursed to the extent that these expenditures exceed the normal daily cost of commuting to and from the institution. Where practical, the least expensive mode of transportation should be selected.

A comprehensive travel expense voucher must be filed for each trip. The voucher should reflect the cost of registration at a convention or meeting; transportation including local transportation, lodging, meals, and miscellaneous costs. Invoices in support of each item of cost shall be attached to the voucher. If one or more costs items have been separately paid by the institution (e.g. airfare), the cost item should be reported on the voucher, noted as paid and a copy of the airfare ticket or other invoice attached to the voucher. Adequate conference registration documentation should be attached to the voucher to demonstrate the extent to which meals were included in the registration fee.

In particular, all individuals should fly coach class or at discount fares where available.

Reimbursement for personal automobile mileage may be reimbursed at the prevailing state rate plus documented parking and tolls or the applicable collective bargaining agreement.

The circumstances of an out-of-town trip and the availability of public transportation may require the use of rental cars. Individuals should make every effort to take advantage of discount rates with car rental companies.

When travelling on institutional business, staff members should live and conduct business in a cost efficient manner which is both comfortable and safe. Where appropriate and available, discount rates on hotel and motel

stays should be taken advantage of. All charges, other than basic room charge and tax, such as meals, or phone calls should be separately identified on the expense report.

- Campus board of trustees should establish separate reimbursement policies for incidental travel expenses.

Business meals including food and beverages expenses must be reasonable and appropriate under the circumstances.

Examples of reasonable expenses:

- Meal expenditures which have a clear business purpose
- Meals while travelling out-of-town on institutional business
- Expenditures for the purpose of recruiting potential employees
- Meals incurred as part of attendance at conferences or meetings of professional organizations

Expense documentation should include:

- Date, city, restaurant and description of meal (lunch, dinner, etc.)
- Name(s), company, affiliation(s) and business relationship(s) of person(s) in attendance
- Business purpose and benefit to the institution for incurring the expenses
- Amount spent

In addition, business meal expenses must be documented by a receipt. Any meal not accompanied by a receipt may be reimbursed at the Commonwealth's per diem rate for meals. Also individuals monthly charges should be accompanied by an original receipt.

Expenditures of a personal nature, unreasonable or excessive expenses, and those not specifically related to the conduct of institutional business are not reimbursable. The following are indicative of the type of expenditures that should not be reimbursed:

- Excessive or extravagant costs (e.g., expensive wines, exclusive restaurants)
- Personal entertainment

- Travel insurance in excess of the amount automatically provided by the institution and the Commonwealth
 - Fines for traffic or parking violations
 - Insurance for a personally-owned car
 - Articles stolen from a personal or rental car
 - Briefcases and luggage
 - Expenses incurred in connection with personal business
 - Any unexplained expenses
- B. Non-employee Travel: Trust fund expenditures to pay for spouse or personal guest travel are not permitted. If the spouse or guest is a participant on a conference panel or program, expense reimbursement should be sought from the sponsoring organization or personal funds should be used.

At the president's direction, students may be allowed to incur travel expenses charged to the trust funds. Trustee travel must be approved by the chairman of the board of trustees. In all cases, the activities and expenses must be clearly related to the mission of the institution.

For such individuals, expense documentation should conform to the documentation required for employee expenses. In addition, the listing of unallowable expense noted for employees also applies to the aforementioned individuals.

(4) Personal and Student Loans

- A. Personal loans should not be granted to institutional staff, students or board members. This requirement does not apply to regular financial aid programs at the institution.
- B. In certain rare circumstances, it may be permissible to provide salary advances to employees if the institution cannot meet payroll due to technical difficulties (e.g., computer failure, etc.). Such advances should be repaid promptly to the trust fund.

(5) Employee and Student Recognition and Activities

- A. Within moderate limits set by the board of trustees, certain expenditures of trust funds to enhance employees and student morale or to recognize achievement, longevity, performance or retirement can be made. These circumstances include but are not limited to:
- institutional social functions, and

- employee and student recognition awards and dinners.

(6) Entertainment of institutional donors, alumni, friends, guests and visitors

- A. Such entertainment should be in moderation and good taste.
- B. It is appropriate for a college president to entertain guests in his or her home as part of official duties. Such expenditures must have prior approval of the board of trustees.
- C. Areas of expenditure for entertainment can include:
- Equipment and furniture rentals
 - Materials and supplies
 - Food and beverage
 - Entertainment
 - Service staff
 - Travel and related expenses (in conformity with the travel guidelines noted above)
- D. Sports, theatre and other entertainment tickets cannot be purchased with trust funds unless the event is being held on campus and the expenditure benefits the mission of the institution or directly supports its instructional programs.

(7) Miscellaneous

- A. Moving expenses are appropriate for the President and selected employees of the institution. Attracting individuals of high quality can require moving them from other parts of the state or country. Moving expenses should not exceed the regional, average cost of moving between two points, and must have the prior approval of the board of trustees. Competitive bids for moving costs should be sought in all cases. These expenditures should not include storage fees while an employee waits to sell or purchase a home.
- B. Purchase or lease of any motor vehicle with trust funds (for use by the president or other administrators) must have prior approval of the board of trustees. The lease or purchase of a full-sized, mid-priced automobile for the president's use may be appropriate. If a more expensive vehicle is desired by the president, the difference between the stated limits and the actual cost should be paid with the president's personal funds. Compliance with IRS guidelines for the personal use of an institutional vehicle should be adhered to by a president or other administrator.
- C. Purchase of flowers, gifts and cards in moderation from trust funds may be appropriate. Appropriate occasions include but are not limited to:

- death or illness of an employee, student, trustee or person of special importance to the institution, or immediate family of said persons, and
 - visit of special guests.
- D. Private clubs initiation fees and membership dues are not an allowable expense. Membership fees for professional or academic organizations and civic groups are an allowable expense; however, any initiation fee or annual membership fee for the president in excess of \$1,000 must have the prior approval of the institution's board of trustees. Membership fees in excess of \$500 for employees other than the president must have prior approval.
- E. Policies passed by the Board of Higher Education after approval of the Trust Fund Guidelines (last revised on December 5, 2000) shall supersede expenditure and reporting requirements as indicated in these Guidelines.

III. CLOSING COMMENTS

As noted previously, these proposed minimum standards for the expenditure of trust funds are not all-inclusive. It is impossible to outline every possible type of expenditure which might be made from these funds. However, when a trust fund expenditure decision must be made, it should be made in recognition of the public nature of these funds and in moderation of good taste.

Campus boards of trustees are expected to establish standards for the expenditures of trust funds that meet or exceed the Board of Higher Education's minimum standards as identified in this document. The institution's board of trustees shall approve campus-based standards. Each institution shall make its standards for the expenditure of trust fund available to the campus community.

The Board of Higher Education and the campuses will undertake a review of their standards for the expenditure of trust funds at least every five years.



WORCESTER
STATE
UNIVERSITY

FY 2027

Comprehensive
University Budget

**Worcester State University
FY 2027 Budget Package**

I Fiscal Year 2027 Budget Overview

II Fiscal Year 2027 Budget

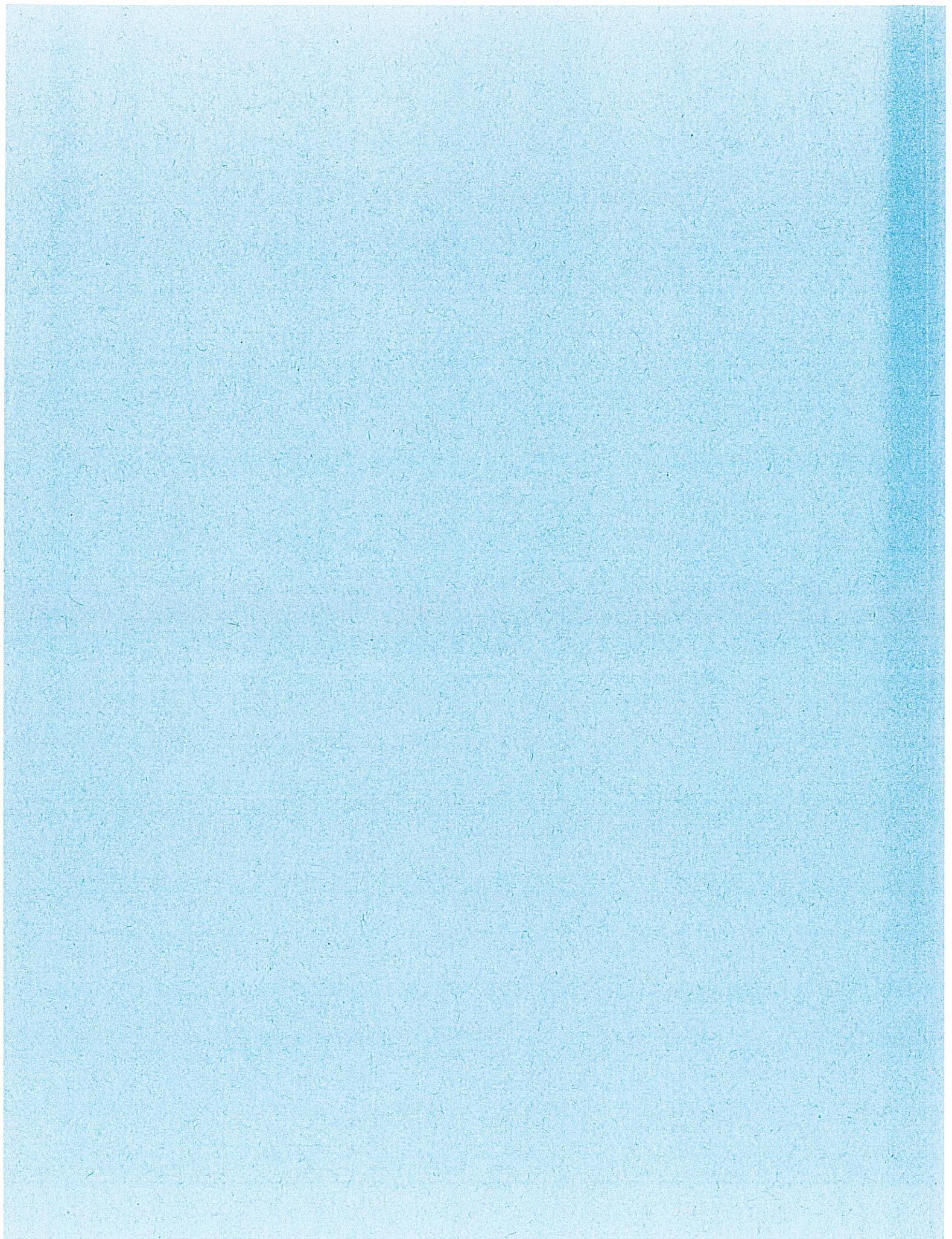
- 1 Summary FY2027 Budget - Sources and Uses of Funds
- 2 Pie Chart: Source of Funds
- 3 Bar Chart: Use of Funds
- 4 FY 2027 Summary of Sources of Funds
- 5 FY2027 Trust Fund Summary
- 6 Pie Chart: Trust Fund Summary
- 7 Operating Revenue Budget

III Individual Fund Budgets compared with FY2026 Budget

- 8 General Operating Budget (111 & 400 Combined)
- 9 General Operating Budget - Expenditures by Division and Pie Chart
- 10 State Maintenance Appropriation (111)
- 11 General Trust Fund (400)
- 12 Capital Improvement Trust Fund (405)
- 13 Indirect Cost Recovery Trust Fund (406)
- 14 Parking Garage Operating Fund (408)
- 15 Wellness Center Trust Fund (429)
- 16 Parking Fines Fund (439)
- 17 Health Services Trust Fund (442)
- 18 Residence Halls Trust Fund (445)
- 19 Student Activities Trust Fund (446)
- 20 Residence Hall Technology and Equipment Trust Fund (448)

Appendix

- A Capital Adaptation and Renewal Spending Plan
- B FY 2027 Tuition and Fee Schedule
- C FY 2027 Budget Discussion April 9, 2026
- D New Indirect Cost Recovery Trust Fund





WORCESTER
S T A T E
UNIVERSITY

Memorandum

Vice President, Division of Administration and Finance

Phone: 508-929-8087

Fax: 508-929-8433

DATE: May 26, 2026

TO: Barry M. Maloney, President

FROM: Kathleen Eichelroth, Vice President for Administration and Finance

RE: FY 2027 BUDGET

At the April 9th Finance and Facilities sub-committee meeting we discussed the legislative landscape surrounding the development of the Commonwealth's budget for FY 2027. Governor Healey had released her FY 2027 budget which had level funded state operating appropriations for the state universities, funded FY2027 collective bargaining commitments, level funded state financial aid accounts for the state universities, and provided funding for another round of SUCCESS grants.

The Senate Ways and Means budget committee report was released May 5, 2026. It generally follows the Governor's and House's spending plans for FY27. Items of concern continue to be the fact that funding has not been provided for the SU Funding Formula line item, and MassGrant Plus funding being undercapitalized compared to recent years. Two amendments have been filed for the state university system requesting funding of the Formula Funding line and a \$12M increase to the MassGrant Plus Line.

The Bright Act has not been approved into law yet, though individual versions have passed through the House and Senate. The House and Senate are currently working to reconcile the differences between the two versions before sending a final unified bill to Governor Healey for her approval.

FY 2027 Comprehensive Budget Package

The FY 2027 university wide budget package represents a balanced budget with \$151,276,806 of sources and uses of funds. Available resources are represented by three distinct categories: State funding for operations and student financial aid of \$70,949,550 (47%); Federal student aid of \$9,959,662 (6%); and institutional sources of \$70,367,594 (47%) representing ten distinct trust funds. Campus based trust funds include General, Parking Fines, Health Services, Residence Halls, Student Activities, Residence Hall Technology & Equipment, Capital Improvement, Parking Garage and Wellness Center trust funds, in addition to a new Indirect Cost Recovery Trust Fund.

General Operating Budget

Operating revenue

The General Operating (GO) budget funds the majority of the University's operating expenditures. The GO budget combines Commonwealth of Massachusetts State appropriations and fringe benefit funding with resources generated through the General Trust Fund. In FY 2027

total operating resources are budgeted at \$114,182,866, with 56% funded by State resources and 44% from General fund revenue, specifically student fees.

There is a net increase in resources for the GO budget in FY 2027 mainly attributed to collective bargaining increases and fringe benefit costs funded by the Commonwealth. There have been modest fluctuations within campus generated revenue categories with a slight increase in tuition and other miscellaneous revenue categories. Adjustments have been made to the revenue budget for FY 2027 to reflect these trends. A \$450 annual General Fee increase is reflected in the total operating resources identified above.

Operating Expenditures

The annual budget process includes a reconciliation of prior year spending and a projection of anticipated cost escalation. Changes in personnel costs since the budget was set in July 2025 have been evaluated and identified as one time or ongoing costs and then included in the baseline budget for the coming fiscal year. Collective bargaining commitments are added in and then fringe rates are applied to the updated base line of personnel costs. The details of the reconciliation for FY 2027 are shown below.

Expenditure Reconciliation

FY 2026 <u>General Operating Budget – Total Expenditures</u>		\$107,425,296
FY 2026 Add:		
FY 2026 Collective Bargaining Increases and other pay adjustments		<u>2,074,845</u>
Adjusted FY 2026 <u>Base Expenditures</u>		<u>\$109,500,141</u>
FY 2027 Adds:		
FY 2027 increase in fringe/payroll tax rate and collective bargaining reserve	3,741,154	
FY 2027 cost adjustments related to existing commitments	658,738	
FY 2027 investments in student recruitment and multi-year fundraising campaign	<u>1,500,000</u>	
Subtotal - Add		\$5,899,892
FY 2027 Deduct:		
Reductions to operating costs	<u>1,217,166</u>	
Subtotal – Subtract		<u>\$1,217,166</u>
FY 2027 <u>General Operating Budget – Total Expenditures</u>		<u>\$114,182,866</u>

The largest increase to the FY 2027 budget of \$3.7M is to fund commitments for negotiated direct labor cost increases and the related increase in fringe benefits. In addition to the typical increase in fringe costs linked to the increased salaries, the Comptroller of the Commonwealth of Massachusetts also notified state agencies of an 8% increase in the fringe benefit rate for FY 2027. The budget adjustments related to existing budget commitments reflect pricing and inflationary adjustments for ongoing obligations related to the procurement of goods and services.

Investment of new resources in FY2027 is tied to two initiatives that are intended to contribute to the growth of university resources in the coming years.

Resources are being committed to recruitment and yield efforts for designing and implementing an enrollment incentive program for applicants demonstrating meritorious academic achievement. Financial incentives will be offered to students in a manner that will increase our competitiveness to attract students and to secure a deposit from those applicants who are already considering enrolling due to the quality of our academic programs, attractiveness of our campus and the documented achievements and financial success of our graduates. This program will be overseen by the Vice President for Enrollment Management with direct involvement from the Admissions and Financial Aid Offices.

The university will embark on a multi-year fund raising campaign with planning activities already begun in FY 2026. FY 2027 resources will be invested in preparing the campaign and will provide for strategy development, communication planning and assembling the team necessary for donor outreach. The campaign will focus on three major themes with the intent of garnering significant resources to invest in an environment that will cultivate transformational leadership, strengthen the university's presence and contributions in the region and seek out and unlock boundless opportunities for Worcester state students, alumni and those who support them in the WSU community.

There are several cost items described below totaling \$1,217,166 that have been identified during the annual reconciliation process that will be removed from the operating budget or moved to other resources. Consistent underspending in several centralized accounts support reducing the lines by approximately \$75,000. Also identified were several non-recurring items that have been reduced at a cost of approximately \$325,000. Finally, we have identified various non-operating resources of approximately \$812,667 to fund program costs that have been previously carried as operating expenses.

Gap Analysis

The budget gap analysis provided below identifies a \$3,955,505 budget shortfall between revenue and expenses in FY 2027. The budget plan as presented identifies the revenue generated from a \$450 a year General Fee increase, and a budgeted drawn on reserve of \$2,496,605. In FY26 we budgeted a reserve draw of \$1.3M. As in previous years, we again expect to close the fiscal year without having incurred any deficit spending to support operations. A roll-forward of the FY26 budget gap emphasizes the need to identify opportunities to increase operating revenue and have our state operating appropriations increased in order to keep pace with direct labor costs, the pace of inflation, and investment in the strategic mission of the university.

FY 2027 Budget GAP Analysis

FY 2027 General Operating Budget -- Total Expenditures	\$114,182,866
FY 2027 General Operating Budget -- Baseline Revenue	<u>\$110,227,361</u>
FY27 Budget GAP	<u>\$ 3,955,505</u>

Roll-forward of PY Budget GAP

FY26 budgeted reserve draw	\$1,348,983
FY 27 Direct labor cost not funded through state appropriations	1,106,522
FY 27 Strategic Investments	<u>1,500,000</u>
FY27 Budget GAP	<u>\$3,955,505</u>

Resources for Backfill

General Fee Increase	\$1,458,900
Reserve draw	<u>\$2,496,605</u>
FY 27 GAP Resources	<u>\$3,955,505</u>

Residence Life Trust Fund (445)

The FY 2027 budget for the Residence Halls anticipates average room occupancy at 84% of capacity. The budgeted occupancy rate is closely aligned with actual capacity during fall of 2025 and spring of 2026. Room rental rates for FY 2027 are increasing 4.17 – 4.55%, while occupancy continues to be below capacity resulting in an operating deficit. The FY 2027 budget has been right sized to reflect reduced capacity as in prior years, however there is still a revenue gap of \$908,570. Reserves will again be budgeted to bridge this gap. Depending up on the final results of operations for FY 2026, the trust fund reserve may dip below the MSCBA established floor of 5% of the previous year expenditures. If this occurs, we will seek a waiver for FY2027 to ensure compliance with MSCBA policy. It is likely the General Fund will need supplement the Residence Life Trust Fund in FY 2028 to ensure a balanced budget and ensure we are in compliance with MSCBA covenants.

Indirect Cost Recovery Trust Fund (406)

The purpose of an Indirect Cost Recovery Rate (ICRR) is to reimburse universities for the shared expenses and infrastructure costs that support research and programs but cannot be easily tied to a single specific externally funded project. Without this recovery, universities must divert funds from other institutional priorities like teaching or student services to cover the real costs of supporting research and programs. Improving indirect cost recovery ensures more money remains available to fund direct operating expenses. Recovering costs frees up funds that can go toward other critical needs, new projects or assist in bridging budget gaps.

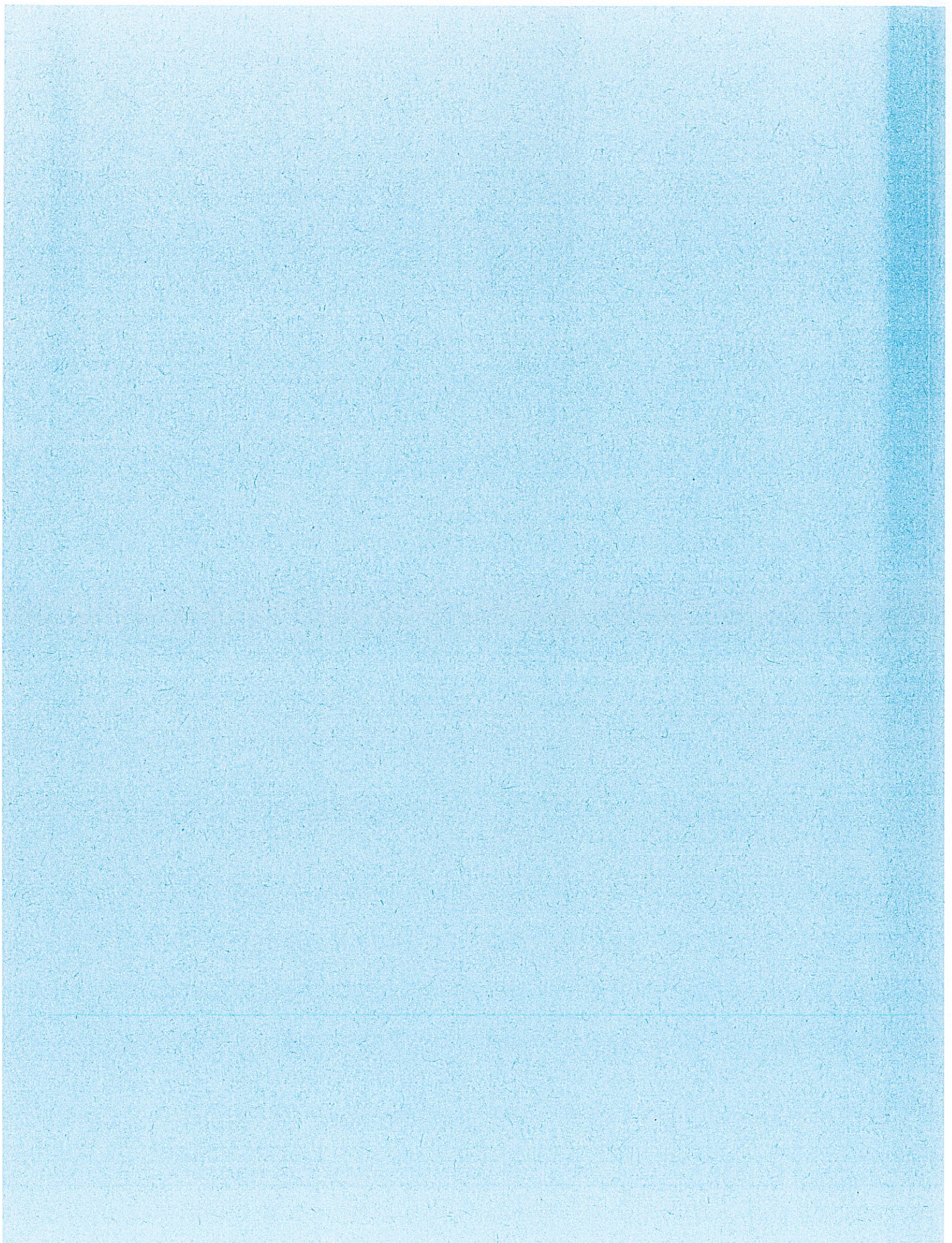
Appendix D to this budget package includes documentation describing the purpose of the trust fund and includes the trust fund agreement and the DHE Trust Fund Guidelines.

The ICRTF budget as prepared for FY 2027 reflects a transfer from The General Trust Fund reserves of indirect cost recovery earned between July 1, 2023 through April 30, 2026 that has been recorded as income in The General Trust Fund. Income for FY 2027 is budgeted at \$150,000. Expenditures of \$430,012 are budgeted to support the Office of Grants and Sponsored Research with anticipated surplus of resources to remain in the fund at the close of FY 2027 of \$471,186.

Other Trust Funds

The Wellness Center Trust Fund, Health Services Trust Fund, Capital Improvement Trust Fund, Parking Fines Trust Fund, Parking Garage Trust Fund, Student Activities Trust Fund and Resident Hall Equipment & Technology Trust Fund are fully funded with designated resource streams and reflect operating costs consistent with prior years.

The FY 2027 budget as presented for approval results in the annual cost of attendance for a full time in-state student who commutes to campus of \$12,794. The baseline cost for an in-state student who resides on campus per year is \$26,998. The baseline cost for an out-of-state student residing on campus per year is \$33,078.



Worcester State University
 Summary of Sources and Uses of Funds
 FY 2027 - All Sources and Trust Funds

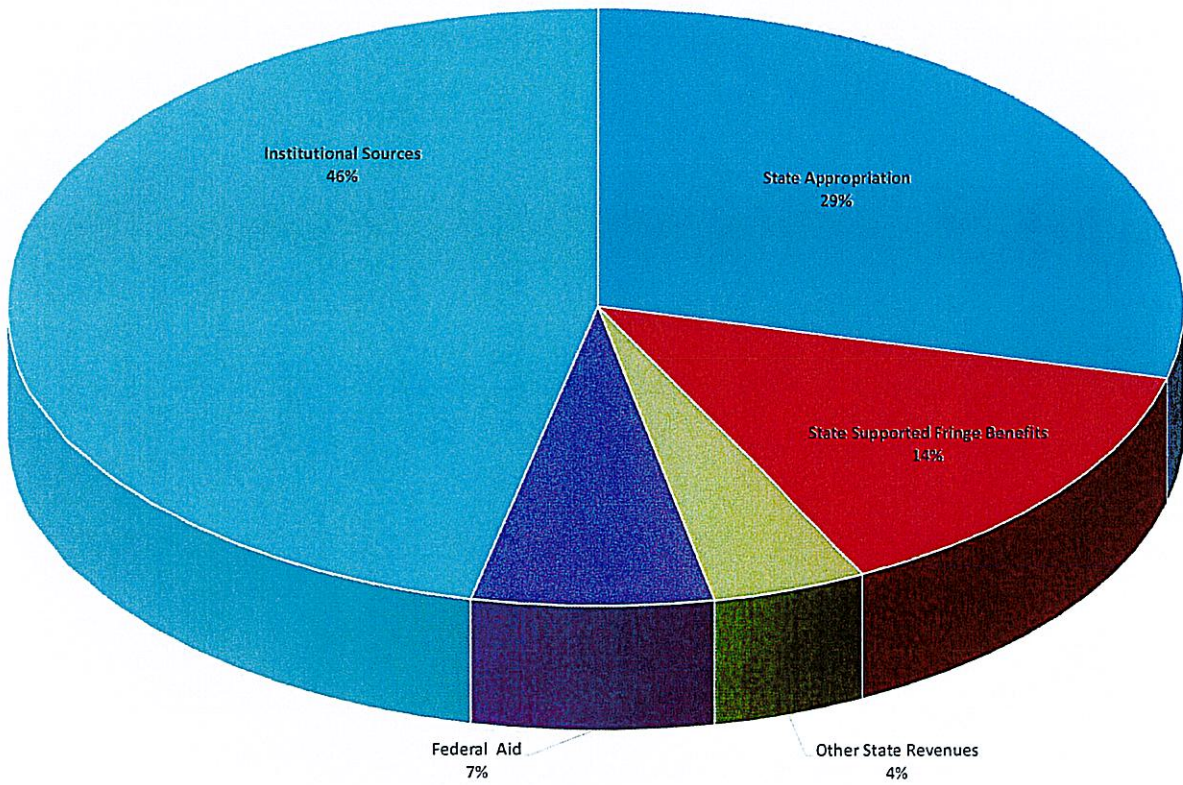
Sources of Funds:

State Appropriation	\$	43,642,881
State Supported Fringe Benefits		20,799,498
Other State Revenues		6,507,171
Federal Aid		9,959,662
Institutional Sources		70,367,594
Total Sources	\$	151,276,806

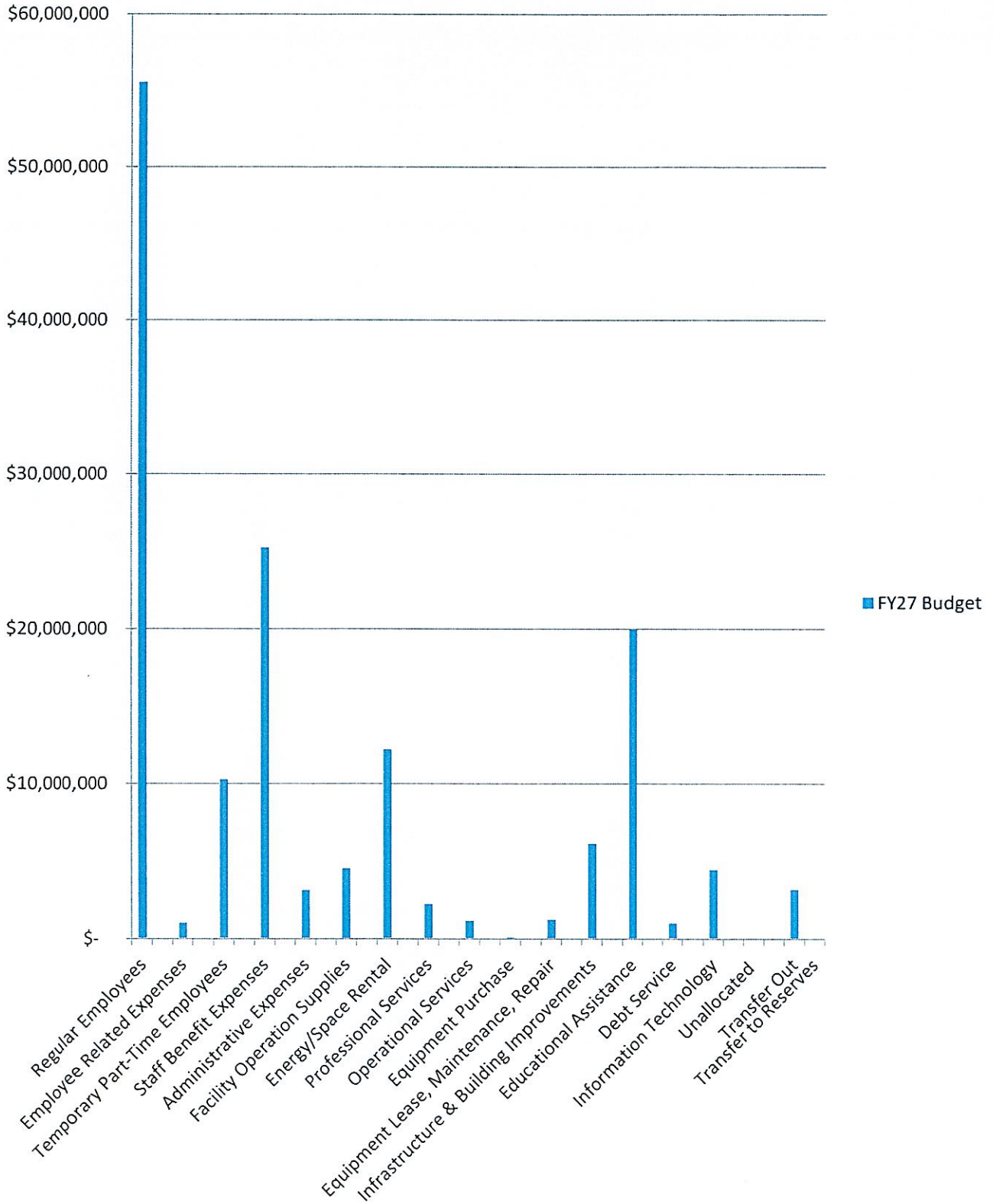
Uses of Funds:

AA	Regular Employees	\$	55,536,386
BB	Employee Related Expenses		1,015,136
CC	Temporary Part-Time Employees		10,269,098
DD	Staff Benefit Expenses		25,245,726
EE	Administrative Expenses		3,116,842
FF	Facility Operation Supplies		4,514,356
GG	Energy/Space Rental		12,208,870
HH	Professional Services		2,226,102
JJ	Operational Services		1,161,594
KK	Equipment Purchase		89,008
LL	Equipment Lease, Maintenance, Repair		1,239,102
NN	Infrastructure & Building Improvements		6,117,536
RR	Educational Assistance		19,944,697
SS	Debt Service		996,441
UU	Information Technology		4,433,926
XX	Unallocated		-
	Transfer Out		3,161,986
	Transfer to Reserves		
	Total Uses	\$	151,276,806

Worcester State University Sources Of Funds FY 2027 Budget



Worcester State University Uses of Funds FY 2027 Budget



Worcester State University
 Summary of Sources
 FY 2027 - All Sources and Trust Funds

State Sources

Annual State Maintenance Appropriation		\$ 43,642,881
State Supported Fringe Benefits	20,799,498	
Student Aid Program Mass Cash Grants	6,507,171	
Total Other State Sources		27,306,669
Total State Sources		70,949,550

Federal Sources

SEOG Program	262,744	
College Work Study Program	154,437	
Pell Grants	9,473,426	
<i>Local match (Transfer from General Trust Fund Reserve)</i>	69,055	
Total Federal Sources		9,959,662

Institutional Sources

Revenue		
General Trust Fund	47,243,882	
Parking Fines Fund	117,215	
Health Services Trust Fund	990,398	
Residence Halls Trust Fund	13,034,642	
Student Activities Trust Fund	415,353	
Residence Hall Tech. and Equip. Trust Fund	284,350	
Capital Improvement Trust Fund	2,568,858	
Wellness Center Trust Fund	79,479	
Indirect Cost Recovery Trust Fund	150,000	
Transfers In		
<i>*Transfer from Resident Hall Trust Fund Reserve</i>	908,570	
<i>*Transfer from Capital Improvement Trust Fund Reserve</i>	1,211,206	
<i>*Transfer from Wellness Center Trust Fund Reserve</i>	115,838	
<i>*Transfer from General Trust Fund</i>	751,198	
<i>*Transfer from Reserves</i>	2,496,605	
Total Institutional Sources		70,367,594
Total Sources		\$ 151,276,806

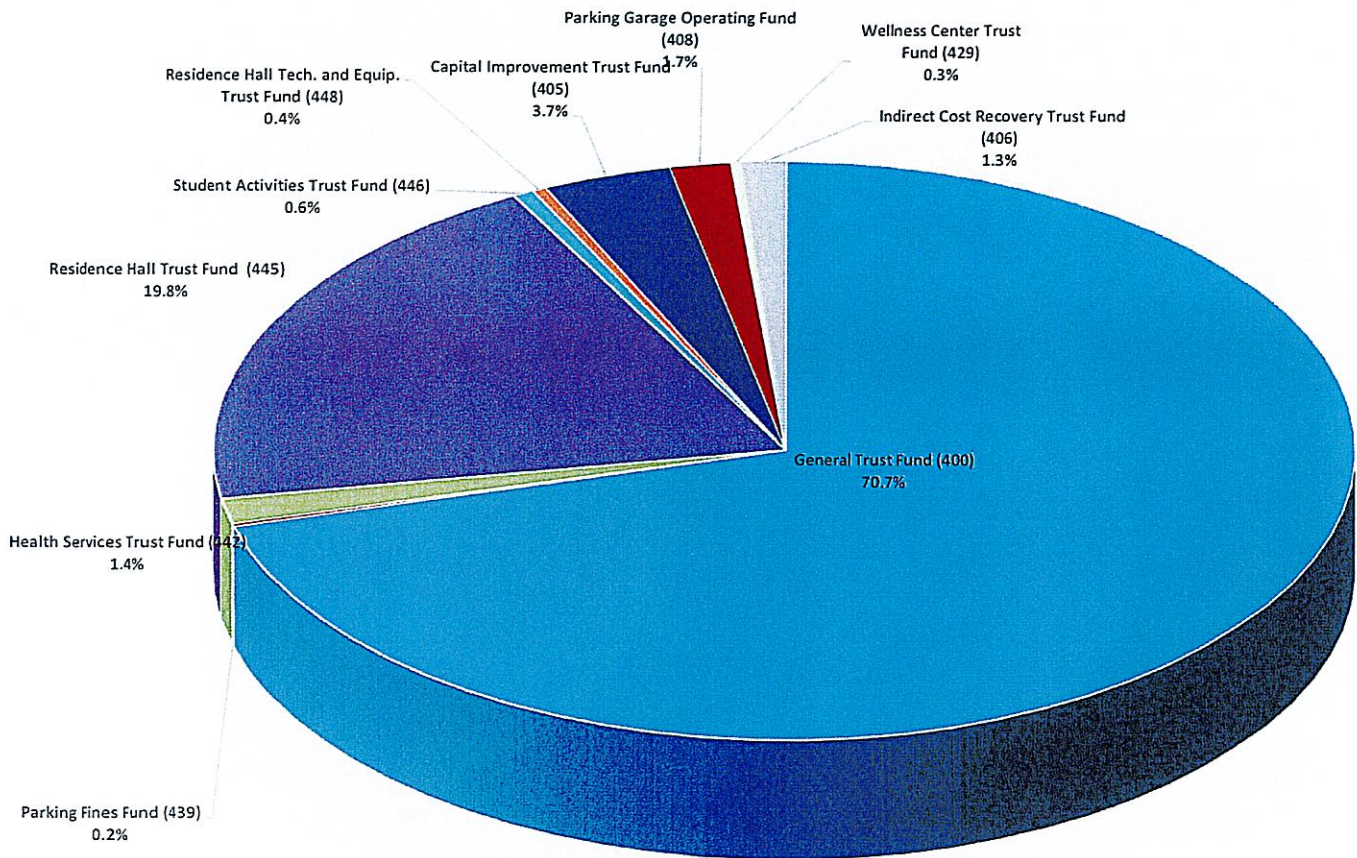
Worcester State University

Trust Fund Summary

FY 2027 Budget

	Budget FY 2025		
	Sources	Uses	
General Trust Fund (400)	\$49,740,487	\$ 49,740,487	70.7%
Parking Fines Fund (439)	117,215	117,215	0.2%
Health Services Trust Fund (442)	990,398	990,398	1.4%
Residence Hall Trust Fund (445)	13,943,212	13,943,212	19.8%
Student Activities Trust Fund (446)	415,353	415,353	0.6%
Residence Hall Tech. and Equip. Trust Fund (448)	284,350	284,350	0.4%
Capital Improvement Trust Fund (405)	2,568,858	2,568,858	3.7%
Parking Garage Operating Fund (408)	1,211,206	1,211,206	1.7%
Wellness Center Trust Fund (429)	195,317	195,317	0.3%
Indirect Cost Recovery Trust Fund (406)	901,198	901,198	1.3%
Total Trust Fund Budget	<u>\$70,367,594</u>	<u>\$ 70,367,594</u>	

Worcester State University Trust Fund Summary FY 2027 Budget

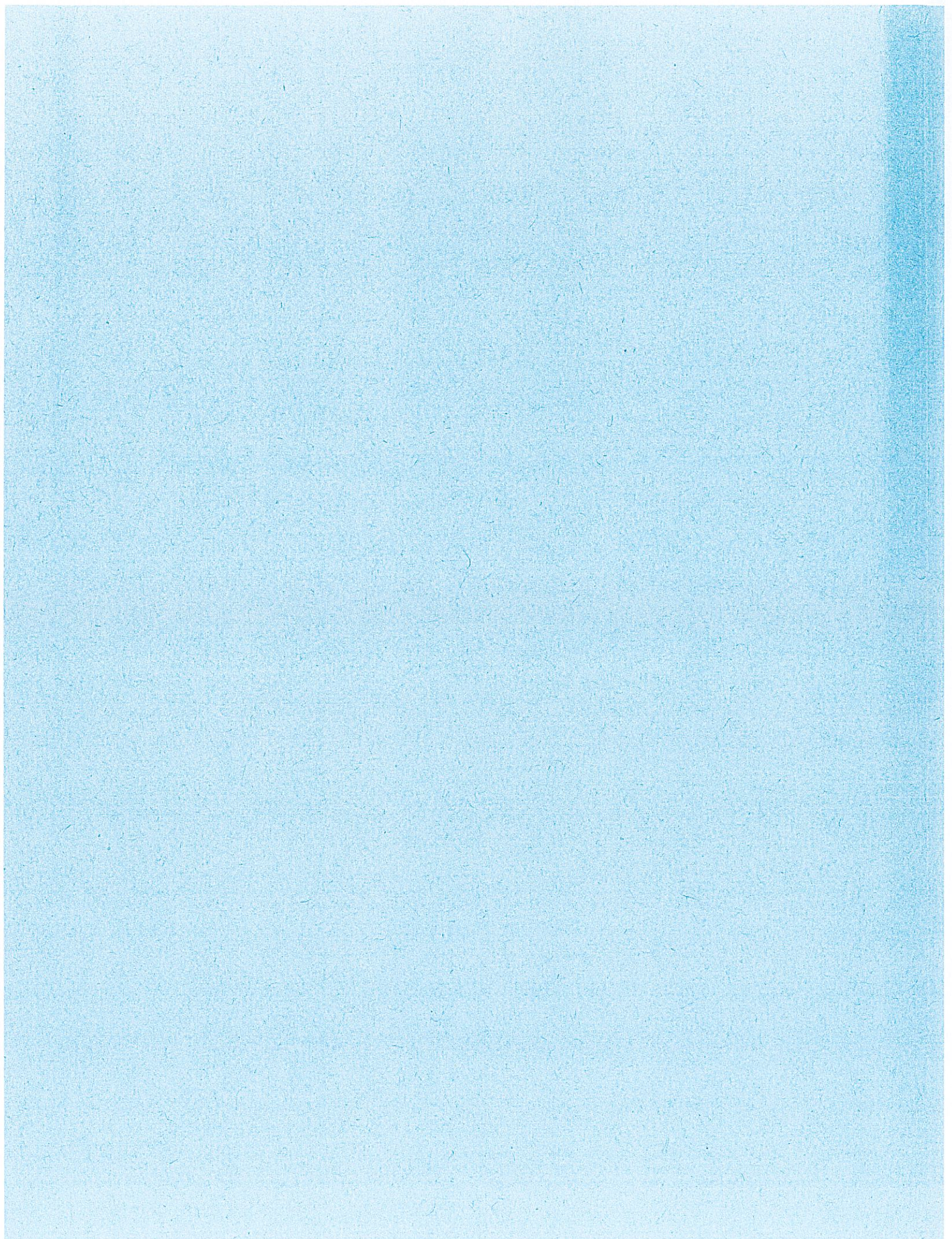


Worcester State University

Operating Revenue

FY 2027 Budget

	FY 2027 Proposed Budget	FY 2026 Approved Budget
State Sources		
State Maintenance	43,642,881	42,276,179
State Funded Fringe Benefits	20,799,498	19,049,646
Total State Sources	64,442,379	61,325,825
Institutional Sources		
General Trust Fund		
Tuition/ In state Undergraduate	4,766,279	4,153,067
Tuition/ Graduate	1,407,563	1,647,070
Tuition/ Out of State Undergraduate	1,465,551	1,397,261
Total Tuition	7,639,393	7,197,398
Waivers/Undergraduate	(125,292)	(120,704)
Waivers/Graduate	(169,247)	(163,766)
Total Tuition Waivers	(294,538)	(284,470)
Net Tuition	7,344,855	6,912,928
Undergraduate Day Division	34,840,801	33,273,354
Undergraduate Eve/Summer Programs	3,529,736	3,521,189
Graduate School	1,248,324	1,249,746
Total Fees	39,618,861	38,044,289
Undergraduate Day Division waivers	(796,049)	(1,095,941)
Undergraduate Eve/Summer Programs/waivers	(48,760)	(52,302)
Graduate Fee waiver	(150,576)	(143,922)
Total Fees Waivers	(995,385)	(1,292,165)
Net Fees	38,623,476	36,752,124
Application Fees	77,433	84,565
Special fees	267,420	241,541
Commencement Fees	6,060	5,340
Transcript Fees	49,332	49,608
Orientation Fees	100,351	104,415
Activity income	-	-
Commissions	128,343	128,343
Non-Credit Courses incl Restricted	179,700	113,025
Center for Effective Instruction	8,974	7,099
Facilities rentals	347,939	241,494
Miscellaneous	110,000	110,000
Other income	1,275,552	1,085,430
Total General Trust Fund Source	47,243,882	44,750,482
General Operating Budget Income	111,686,261	\$ 106,076,307



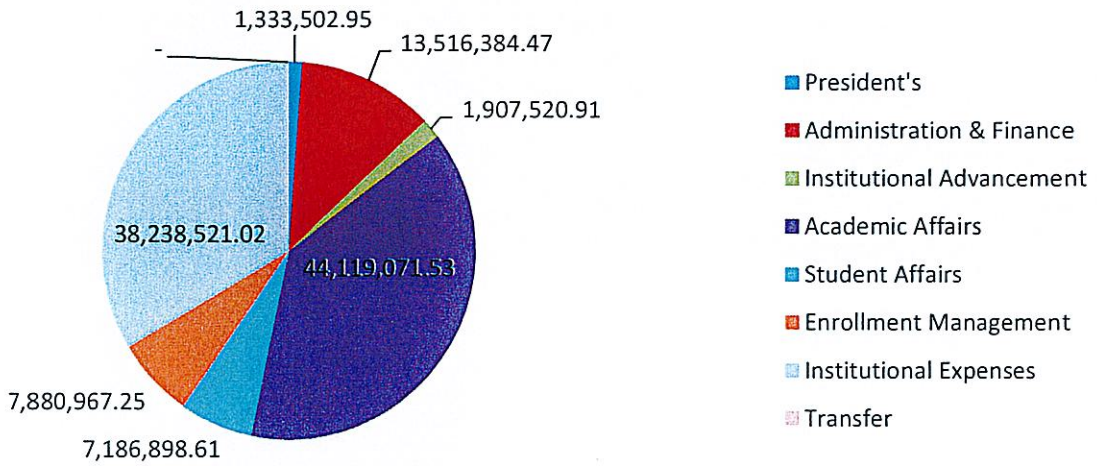
Worcester State University
 General Operating Budget (111 & 400)
 FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
Sources of Funds:		
Institutional Revenue	\$ 47,243,882	\$ 44,750,482
State Appropriation	43,642,881	42,276,179
State Funded Fringe Benefits	20,799,498	19,049,646
Transfer in -Reserves	2,496,605	1,348,990
Total Sources	\$ 114,182,866	\$ 107,425,297
Uses of Funds:		
AA Regular Employees	\$ 53,402,753	\$ 49,923,165
BB Employee Related Expenses	1,000,136	1,058,503
CC Temporary Part-Time Employees	9,974,215	10,348,199
DD Staff Benefit Expenses	24,255,658	22,161,988
EE Administrative Expenses	2,989,235	2,987,715
FF Facility Operation Supplies	3,937,796	2,917,621
GG Energy/Space Rental	2,164,132	2,140,200
HH Professional Services	1,583,602	1,567,927
JJ Operational Services	1,149,594	1,083,832
KK Equipment Purchase	69,008	1,008
LL Equipment Lease, Maintenance, Repair	1,097,792	1,175,177
NN Infrastructure & Building Improvements	4,727,536	4,727,536
RR Educational Assistance	2,916,964	2,416,964
SS Debt Service	567,536	567,536
UU Technology Expenses	4,346,909	4,347,926
Total Uses	\$ 114,182,866	\$ 107,425,297
Net Sources / (Uses)	\$ -	\$ -

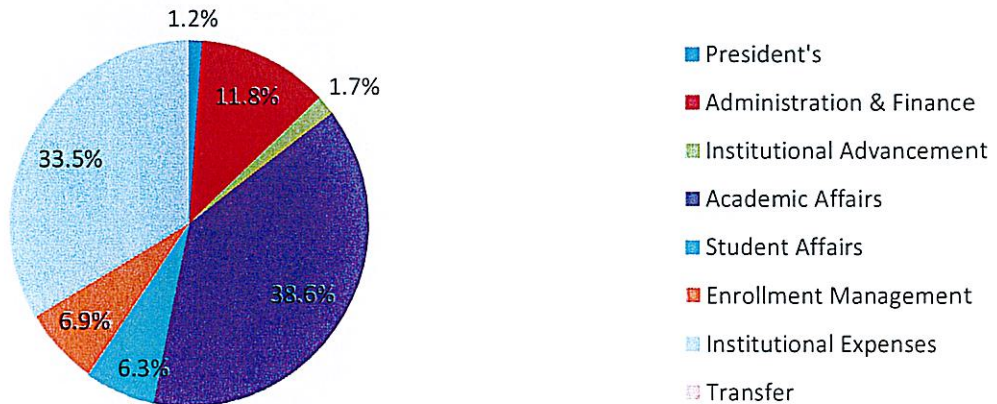
Worcester State University
 400/111 Expenditures by Division
 FY 2027 Budget

Class	Division	Budget FY25 Subtotals	Budget FY25 Exp %
2	President's	1,333,502.95	1.2%
3	Administration & Finance	13,516,384.47	11.8%
4	Institutional Advancement	1,907,520.91	1.7%
6	Academic Affairs	44,119,071.53	38.6%
7	Student Affairs	7,186,898.61	6.3%
8	Enrollment Management	7,880,967.25	6.9%
3	Institutional Expenses	38,238,521.02	33.5%
	Transfer	-	
		<u>114,182,866.74</u>	<u>100.0%</u>

**Budget FY2027
Subtotals by Division**



**Budget FY2027
Expense % by Division**



Worcester State University

General Trust Fund (400)

FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
	<hr/>	<hr/>
<u>Sources of Funds:</u>		
Institutional Revenue	47,243,882	44,750,482
Transfer in -Reserves	2,496,605	1,348,990
	<hr/>	<hr/>
Total Sources	\$ 49,740,487	\$ 46,099,472
	<hr/>	<hr/>
<u>Uses of Funds:</u>		
AA Regular Employees	\$ 9,759,872	\$ 7,646,986
BB Employee Related Expenses	1,000,136	1,058,503
CC Temporary Part-Time Employees	9,974,215	10,348,199
DD Staff Benefit Expenses	3,456,160	3,112,342
EE Administrative Expenses	2,989,235	2,987,715
FF Facility Operation Supplies	3,937,796	2,917,621
GG Energy/Space Rental	2,164,132	2,140,200
HH Professional Services	1,583,602	1,567,927
JJ Operational Services	1,149,594	1,083,832
KK Equipment Purchase	69,008	1,008
LL Equipment Lease, Maintenance, Repair	1,097,792	1,175,177
NN Infrastructure & Building Improvements	4,727,536	4,727,536
RR Educational Assistance	2,916,964	2,416,964
SS Debt Service	567,536	567,536
UU Technology Expenses	4,346,909	4,347,926
	<hr/>	<hr/>
Total Uses	\$ 49,740,487	\$ 46,099,472
	<hr/>	<hr/>
Net Sources / (Uses)	\$ -	\$ -
	<hr/>	<hr/>

Worcester State University
State Maintenance Appropriation (111)
FY 2027 Budget

		FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>			
	State Appropriation	\$ 43,642,881	\$42,276,179
	State Funded Fringe Benefits	\$ 20,799,498	\$19,049,646
	Total Sources	\$ 64,442,379	\$61,325,825
<u>Uses of Funds:</u>			
AA	Regular Employees	\$ 43,642,881	\$42,276,179
BB	Employee Related Expenses	-	-
CC	Temporary Part-Time Employees	-	-
DD	Staff Benefit Expenses	20,799,498	19,049,646
EE	Administrative Expenses	-	-
FF	Facility Operation Supplies	-	-
GG	Energy/Space Rental	-	-
HH	Professional Services	-	-
JJ	Operational Services	-	-
LL	Equipment Lease, Maintenance, Repair	-	-
NN	Infrastructure & Building Improvements	-	-
SS	Debt Service	-	-
UU	Technology Expenses	-	-
	Total Uses	\$ 64,442,379	\$61,325,825
	Net Sources / (Uses)	\$ -	\$ -

Worcester State University
 Capital Improvement Trust Fund (405)
 FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>		
Capital Improvement Fee	\$ 2,568,858	\$ 2,672,610
Total Sources	\$ 2,568,858	\$ 2,672,610
<u>Uses of Funds:</u>		
GG - Energy/Space rental	\$ -	\$ -
SS - Debt Service	428,905	536,617
Transfer Out - Parking Garage Oper. Fund	1,211,206	1,211,206
Transfer Out - To Reserves	928,747	924,787
Total Uses	\$ 2,568,858	\$ 2,672,610
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
 Indirect Cost Recovery Trust Fund (406)
 FY 2027 Budget

	FY2027 Requested Budget
<u>Sources of Funds:</u>	
Other Income	\$ 150,000
Transfer in- General Trust Fund	\$ 751,198
Total Sources	\$ 901,198
<u>Uses of Funds:</u>	
AA Regular Employees	\$ 279,170
BB Employee Related Expenses	10,000
CC Temporary Part-Time Employees	-
DD Staff Benefit Expenses	128,725
EE Administrative Expenses	8,480
FF Facility Operation Supplies	1,060
HH Professional Services	-
JJ Operational Services	500
LL Equipment Lease, Maintenance, Repair	1,060
RR Educational Assistance	-
UU Technology Expenses	1,017
Transfer Out - Reserves	471,186
Total Uses	\$ 901,198
Net Sources / (Uses)	\$ -

Worcester State University
 Parking Garage Operating Fund (408)
 FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>		
Transfer In - Capital Improvement T. F.	\$ 1,211,206	\$ 1,211,206
Total Sources	\$ 1,211,206	\$ 1,211,206
<u>Uses of Funds:</u>		
FF Facility operating supplies	\$ -	\$ -
GG Energy and space rental	621,206	621,206
HH Professional services	-	-
JJ Operational services	-	-
LL Equipment lease, maint and repair	-	-
NN Construction/Maintenance/Improvements	590,000	590,000
SS Debt Service	-	-
UU Technology Expenses	-	-
Total Uses	\$ 1,211,206	\$ 1,211,206
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
Wellness Center Trust Fund (429)
FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>		
Revenues	\$ 79,479	\$ 82,908
Transfer in - Reserves	\$ 115,838	\$ 112,514
Total Sources	\$ 195,317	\$ 195,422
<u>Uses of Funds:</u>		
BB Employee Related Expenses	\$ -	\$ -
CC Temporary Part-Time Employees	15,000	20,000
DD Staff Benefit Expenses	317	422
EE Administrative Expenses	17,500	12,500
FF Facility Operation Supplies	113,500	113,500
GG Energy/Space Rental	-	-
HH Professional Services	-	20,000
JJ Operational Services	2,000	2,000
KK Equipment Purchase	20,000	-
LL Equipment Lease, Maintenance, Repair	12,000	12,000
NN Construction/Maintenance/Improvements	-	-
UU Technology Expenses	15,000	15,000
Transfer Out - To Reserves	-	-
Total Uses	\$ 195,317	\$ 195,422
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
 Parking Fines Fund (439)
 FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>		
Fines and Other Income	\$ 117,215	\$ 112,315
Transfer in - Reserves		-
Total Sources	\$ 117,215	\$ 112,315
<u>Uses of Funds:</u>		
EE Administrative Supplies	\$ 30,000	\$ 30,000
RR Educational Assistance	60,000	60,000
Transfer Out - To Reserves	27,215	22,315
Total Uses	\$ 117,215	\$ 112,315
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
 Health Services Trust Fund (442)
 FY 2027 Budget

	FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>		
Fees and Other Income	\$ 990,398	\$ 986,463
Total Sources	\$ 990,398	\$ 986,463
<u>Uses of Funds:</u>		
AA Regular Employees	\$ -	\$ -
BB Employee Related Expenses	-	-
CC Temporary Part-Time Employees	-	8,000
DD Staff Benefit Expenses	-	169
EE Administrative Expenses	7,877	100
FF Facility Operation Supplies	-	10,000
HH Professional Services	596,000	600,000
JJ Operational Services	6,500	
LL Equipment Lease, Maintenance, Repair	-	500
RR Client Medical Services	100	100
UU Technology Expenses	-	-
Transfer Out - Reserves	379,921	367,594
Total Uses	\$ 990,398	\$ 986,463
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
 Resident Hall Trust Fund (445)
 FY 2027 Budget

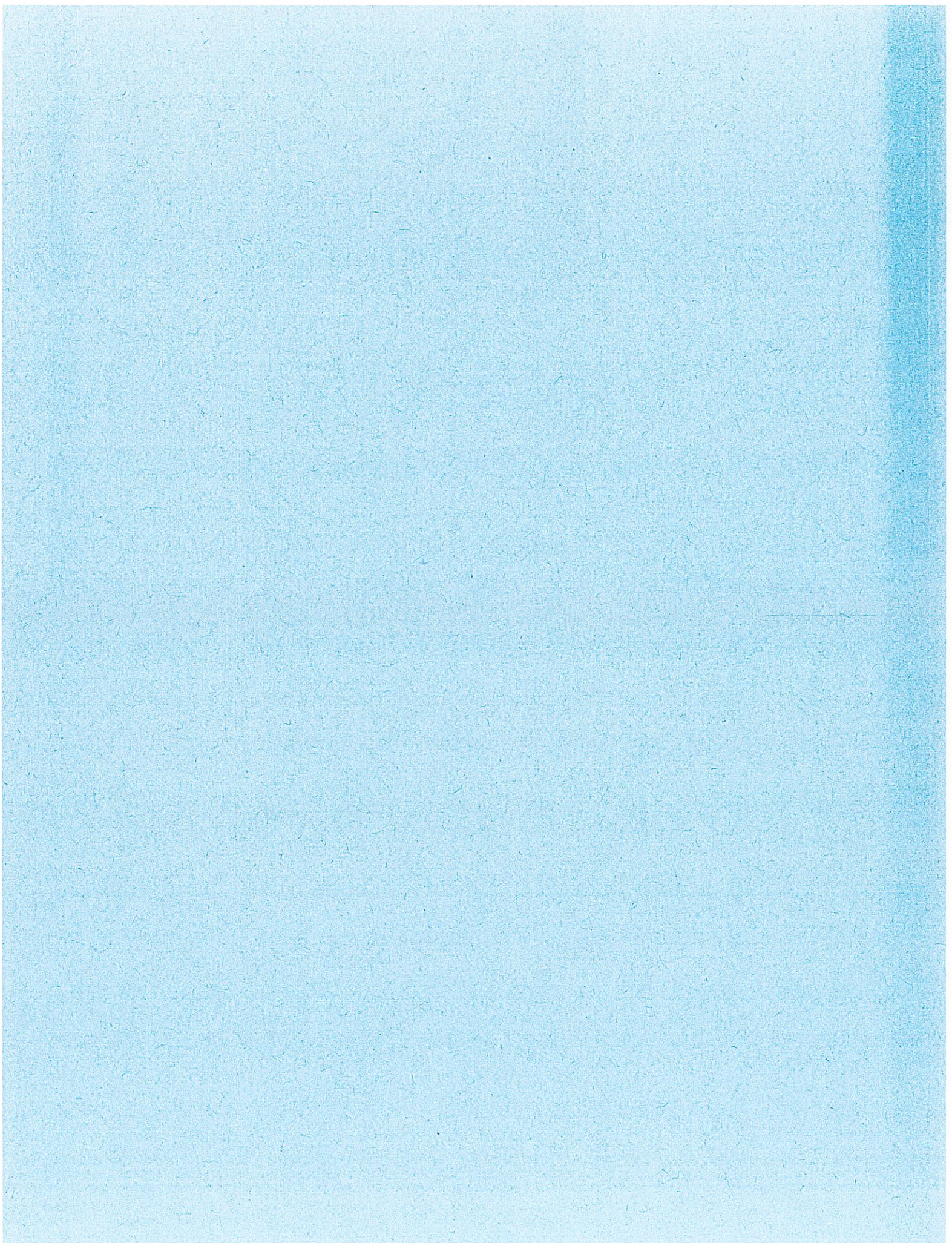
	FY2027 Requested Budget	FY2026 Approved Budget
<u>Sources of Funds:</u>		
Fees and Other Income	\$ 13,034,642	\$ 12,563,592
Transfer In - Reserves	\$ 908,570	\$ 1,448,863
Total Sources	\$ 13,943,212	\$ 14,012,455
<u>Uses of Funds:</u>		
AA Regular Employees	\$ 1,854,463	\$ 1,808,270
BB Employee Related Expenses	-	-
CC Temporary Part-Time Employees	279,883	235,000
DD Staff Benefit Expenses	861,026	814,806
EE Administrative Expenses	35,500	30,714
FF Facility Operation Supplies	215,000	285,000
GG Energy/Space Rental	9,247,540	9,400,766
HH Professional Services	19,500	10,700
LL Equipment Lease, Maintenance, Repair	78,500	78,500
NN Infrastructure & Building Improvements	800,000	853,749
RR Educational Assistance	500,800	468,950
SS Debt Service	-	-
UU Technology Related Expenses	51,000	26,000
Transfer Out - To Reserves	-	-
Total Uses	\$ 13,943,212	\$ 14,012,455
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
Student Activities Trust Fund (446)
FY 2027 Budget

	FY2027 Requested Budget	FY2026 Requested Budget
<u>Sources of Funds:</u>		
Fees	\$ 415,353	\$ 413,583
Transfer In - Reserves		\$ 42,000
Total Sources	\$ 415,353	\$ 455,583
<u>Uses of Funds:</u>		
BB Employee Related Expenses	\$ 5,000	\$ 8,000
CC Temporary Part-Time Employees	-	41,000
DD Staff Benefit Expenses	-	583
EE Administrative Expenses	28,250	36,000
FF Facility Operation Supplies	247,000	263,250
GG Energy/Space Rental	-	-
HH Professional Services	27,000	32,000
JJ Operational Services	3,000	27,500
KK Equipment Purchase	-	-
LL Equipment Lease, Maintenance, Repair	49,750	47,000
NN Construction/Maintenance/Improvements	-	-
UU Technology Expenses	20,000	250
Transfer Out - To Reserves	35,353	
Total Uses	\$ 415,353	\$ 455,583
Net Sources / (Uses)	\$ -	\$ -

Worcester State University
 Residence Hall Technology and Equipment Trust Fund (448)
 FY 2027 Budget

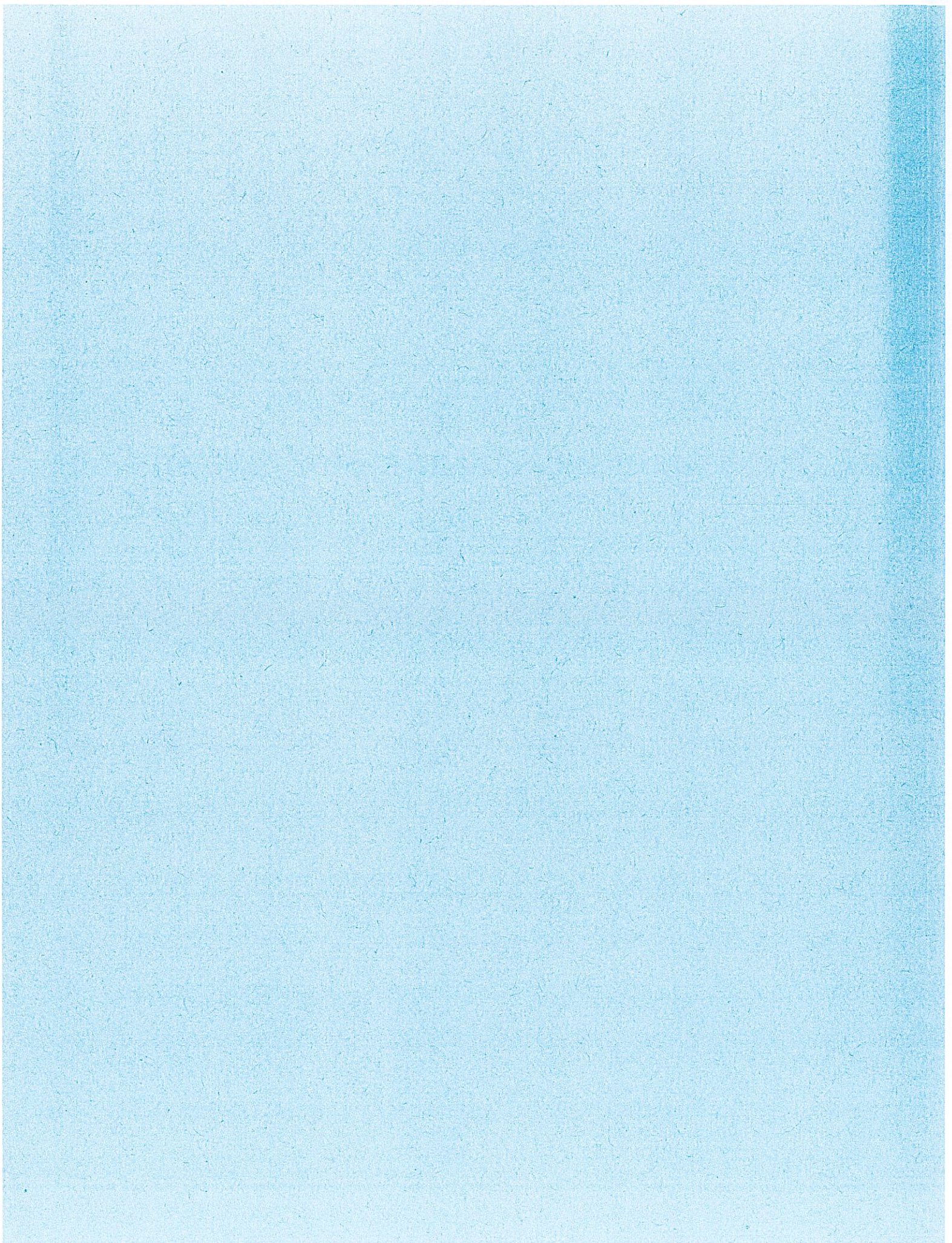
	FY2027 Requested Budget	FY2026 Requested Budget
<u>Sources of Funds:</u>		
Fees and Other Income	\$ 284,350	\$ 278,740
Total Sources	\$ 284,350	\$ 278,740
<u>Uses of Funds:</u>		
AA Regular Employees	\$ -	\$ -
DD Staff Benefits Expense	-	-
EE Administrative Expenses	-	-
GG Energy/Space Rental	175,992	192,944
LL Equipment Lease, Maintenance, Repair	-	-
SS Debt Service	-	-
UU Technology Expenses	-	-
Transfer Out - To Reserves	108,358	85,796
Total Uses	\$ 284,350	\$ 278,740



Worcester State University
Capital Adaptation and Renewal
FY 2027

A

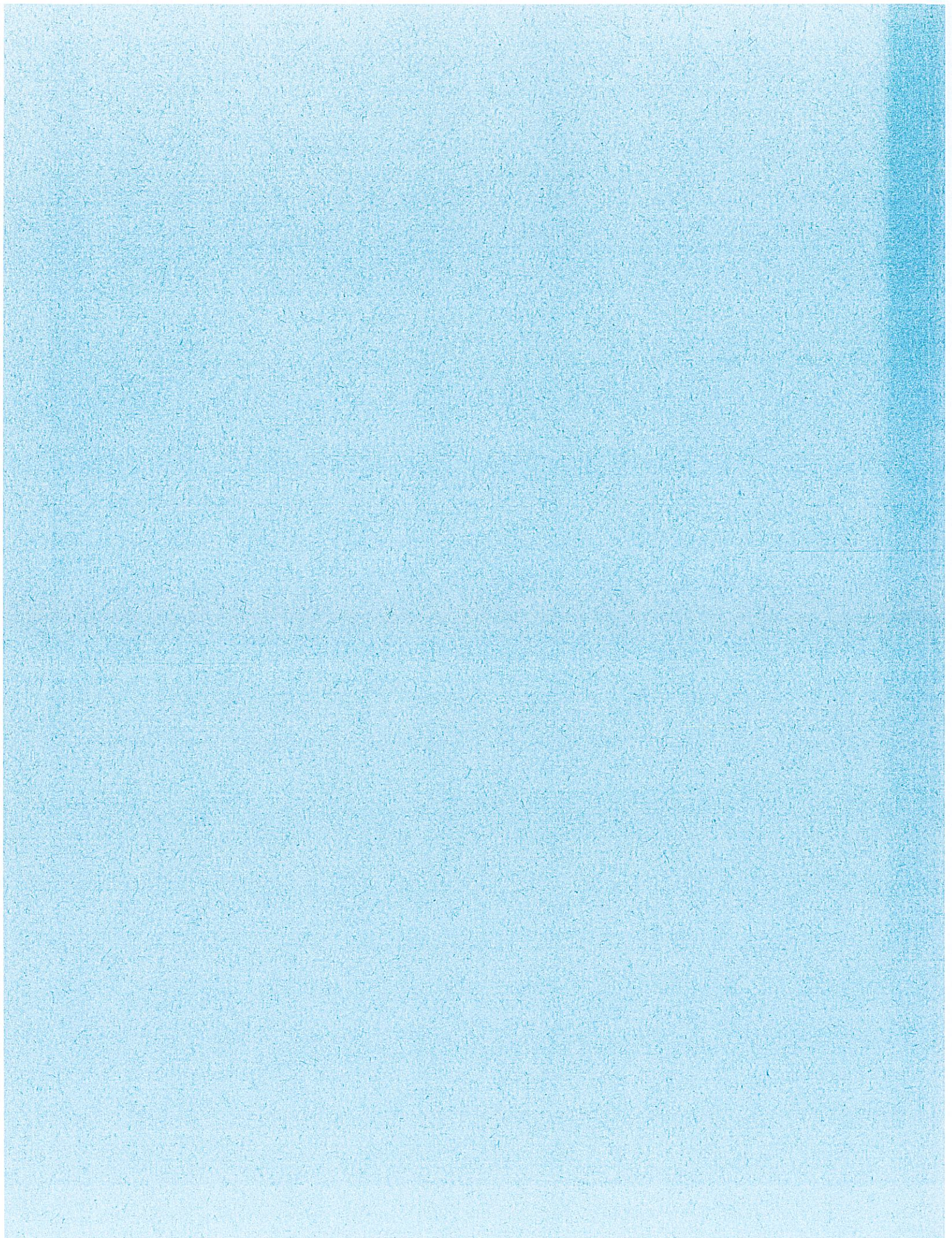
Sullivan Roof Replacement	\$	450,000.00
Student Affairs Renovation	\$	590,000.00
LRC VAV Replacement	\$	150,000.00
Wellness Center Comp Lighting	\$	162,000.00
Gordian Assessment	\$	28,815.00
POD Dishroom Renovation	\$	500,000.00
West Student Center ADA Walkway	\$	225,000.00
S&T RODI System Refurbishment	\$	575,000.00
Wasylean/CV Landscape Plan Implementation	\$	500,000.00
Varsity Weight Room	\$	325,000.00
Various Improvement Projects	\$	494,185.00
Total Project Estimates	\$	<u>4,000,000</u>



Worcester State University
Tuition and Fees - Academic Year 2026/2027

B

	Annual	Increase from FY 2026
<u>Undergraduate Day Division</u>		
Cost for Full-Time In-State Student	12,794.00	
Tuition:		
MA Resident	970.00	
Non-Resident	7,050.00	
NE Regional	1,455.00	
Fees:		
General Fee 4.37%	10,748.00	450.00
Student Activity Fee	130.00	-
Student Health Svc Fee	310.00	
Capital Improvement Fee	636.00	
Total Fees	11,824.00	450.00
Health Insurance	5,164.00	448.00
Orientation Fee (New Students)	75.00	
Commuter Meal Plan - freshman, sophomore and junior	300.00	
<u>Residence Halls</u>		
Residence Hall rates		
Chandler Village - Double		
Double 4.40%	9,500.00	400
Single	10,500.00	
Lofted Single	11,000.00	
Premium Single	11,500.00	
Dowden Hall - Double		
Double 4.55%	9,200.00	400
Single	10,200.00	
Premium Single	11,200.00	
Wasylean Hall - Double		
Double 4.17%	10,000.00	400
Single	11,000.00	
Premium Single	12,000.00	
Sheehan Hall - Double		
Double 4.26%	9,800.00	400
Single	10,800.00	
Premium Single	11,800.00	
Residence Activity Fee	50.00	
Technology and equipment fee	220.00	
Resident Parking Fee	175.00	
Board 4.00%	4,734.00	182
Damage Deposit (1st Semester)	100.00	
<u>Division of Graduate and Continuing Education</u>		
	Credit Hour	
Tuition:		
Undergraduate	148.00	
Graduate	189.00	
Fees:		
Administrative Fee		
Undergraduate	161.00	
Graduate	163.00	
Capital Improvement Fee	26.50	
<u>Online Graduate Degree Programs;</u>		
Master of Education - Moderate Disabilities	409.00	
Master of Education - Early Childhood Education	409.00	
Master of Education - Elementary Education	409.00	
Master of Science in Nursing - Nurse Educator	504.00	
Master of Science in Nursing - Public and Population Health	504.00	
<u>Other University fees:</u>		
<u>All students</u>		
Application fee	50.00	per item
Transcript fee	10.00	per item
Applied music fee	260.00	per course
Lab Instruction	90.00	per course
International Student Fee - fall/spring	250.00	per term
International Student Fee - summer session	125.00	per term
<u>Undergraduate Day Division - only</u>		
Student Teaching	75.00	per course
<u>Continuing Education Division - only</u>		
Art Model Fee	25.00	per course
Student Teaching	15.00	per cr hr
Field Work Supervision	15.00	per cr hr
Internship	15.00	per cr hr

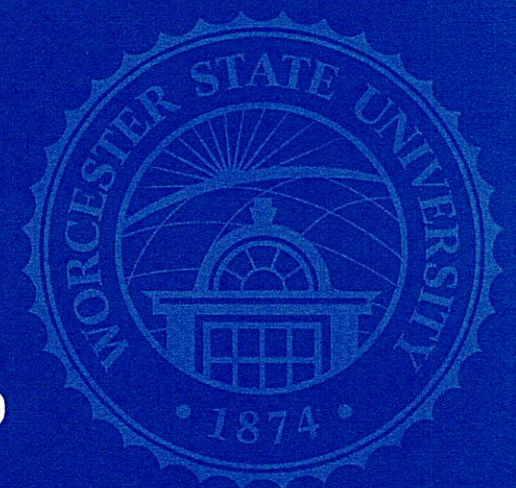




WORCESTER
STATE
UNIVERSITY

FY 2027 Budget Planning

Kathleen Eichelroth
Vice President for Administration and Finance/CFO



FY 2027 State Budget Process

On February 12th President Maloney provided a FY 2027 Budget Update to the WSU community [President Maloney FY27 budget update](#)

- The communication noted that on January 28, Gov. Maura Healey released her FY27 budget recommendations, and it is now working its way through the legislative process.
- The following items have a direct impact on our operating budget:
 - **CBA obligations:** The governor's budget includes annualized funding for our FY26 union bargaining obligations for employees and partially funds our FY27 obligations. Securing full funding for FY27 CBA obligations is a critical priority for Worcester State and all state universities.
 - **Formula funding:** The state universities are advocating for restoration of formula funding that was eliminated in the FY26 budget and is not included in the Governor's budget. Formula funding provides a more equitable distribution of state funds according to each university's enrollment and performance.
 - **SUCCESS Funding:** The Governor's budget includes \$14 million in SUCCESS funding to be divided among the state universities. Worcester State's share of these dollars has averaged \$1.6 million and we support the third year of funding for SUCCESS.
 - **State Financial Aid:** The Governor's budget includes essentially level funding for many state financial aid programs, such as the MassGrant Plus program, which has helped Worcester State increase financial aid offers to students in recent years, including the university's [ValuePlus program](#). However, funding at FY26 levels remains significantly below what Worcester State received in FY25, creating challenges in delivering robust financial aid packages to students.

FY 2027 State Budget Process - continued

- Other supplemental funding initiatives in the works for FY 2027 include the following:
 - **Early College:** The Governor continues to strongly back Early College, and has included funds for expansion in her budget. Exposing high school students to the quality of a Worcester State education, as well as helping them gain college credits, is a win-win for the university and for students.
 - **BRIGHT Act:** This bond bill from Gov. Healey will provide \$2.5 billion from Fair Share tax revenue for deferred maintenance and capital investment in the state's public colleges and universities. In November, the House passed the bill, and the Senate adopted a version in February. The next step is for it to go to conference committee. Passing of the BRIGHT Act is critical to carrying out our Master Plan which is currently in development.
- FY 2026 Fair Share Supplemental Budget:
 - Additional deferred maintenance funds are being made available in FY 2026 with spend authorization through June 30, 2028.
 - Campuses are being provided \$500,000 Lab modernization design grants, with the Governor intending to fund the work with campus grants of \$5M each to be funded through the BRIGHT Act.
 - In an effort to reduce deferred maintenance backlogs each state university is receiving \$1.65M in supplemental funds to address needed repairs and improvements. There is also expanded flexibility to use these funds for campus security investments.

Campus Resources

- Post-Covid, annual Formula Funding allocations had been relied upon heavily
 - to backfill the loss of federal operating subsidies during Covid
 - and compensate for the effects of enrollment decline due to the demographic cliff and changes in behavior patterns of college age students
- Without increased funding for operations in our base state appropriation
 - we have relied on opportunities for
 - cost containment
 - revenue enhancement
 - student recruitment
 - student retention.
- While pursuing these strategies we have found it necessary to increase rates annually in an effort to stabilize operating resources.
- In addition to these strategies, we will focus on prioritizing data-driven decisions as the basis for informing the allocation of limited resources.

FY 2027 Budget Discussions

Division Level meetings occurred during the months of February and March and the following information was shared

Good news: stable rating reviews by S&P and Moody's

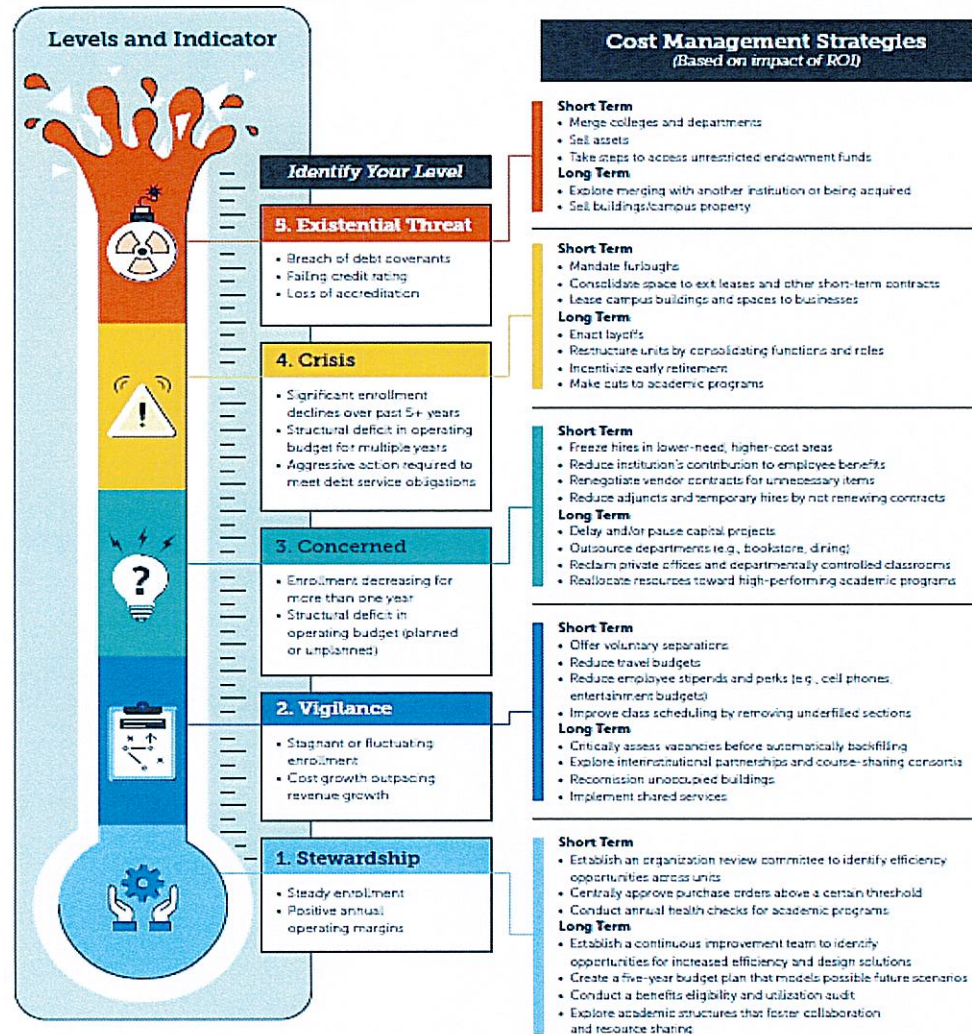
- ✓ As of February 2026, [Moody's Ratings](#) has affirmed the **A2 issuer and revenue bond ratings** for Worcester State University (MA), maintaining a stable outlook.
- ✓ In November 2025 S&P Global Ratings, affirmed Worcester State University (WSU) **A** rating with a stable outlook reflecting its **solid financial management, robust state support, healthy retention rates, pro-active management team, and somewhat variable enrollment trend.**

Discussed operational pressures using a thermometer graphic

The Five Levels of Financial Performance to Guide Proactive Planning in Higher Education

In response to the increased pressures facing higher education, EAB recommends a shift toward proactive financial planning: anticipating potential financial downturns and determining an institution's response in advance. This can break the cycle of reactive decision-making (and its unintended consequences), allowing leaders to chart a course toward sustainable financial health and longevity.

This infographic delineates five levels of financial performance and recommended cost management strategies for each. Use this infographic to determine your cost management strategy for both today and into the future.



FY 2027 Budget Discussions - continued

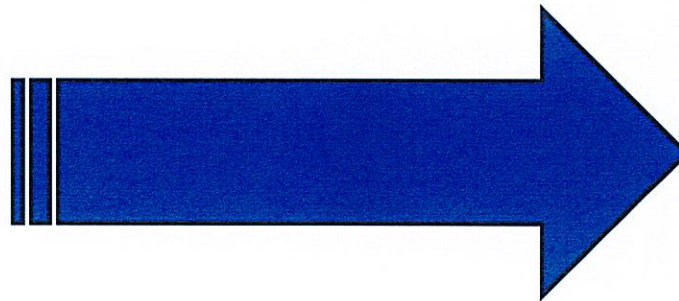
This slide was discussed during Division level meetings

“Budget managers and unit leaders were asked to take a careful, data-informed look at their current operations and planned requests—grounding decisions in enrollment trends, workload, outcomes, and alignment with institutional priorities. Building on our institutional commitment to operational excellence, we have an opportunity to engage thoughtfully in the process by asking questions, sharing ideas to improve efficiency or effectiveness, and supporting efforts that reduce costs, enhance revenue, or better align resources with student success.” [President Maloney FY27 Budget update](#)

Not So Good News:

Significant Financial Pressures

- Enrollment
- Effectiveness of return from current programs:
 - UG
 - GR
 - CE
 - Other
- Residence Occupancy
- IT related investments
- Campus Safety Investments
- Direct Labor Costs
- Inflation
- Replacement Cycles
- Inventory of Enterprise Risks
- Fluctuating Structural Budget Deficit
- OTHER.....



Potential Response Actions

- Evaluation of existing practices with fresh eyes
- Optimize DL costs (greatest asset is people: are their efforts strategically focused)
- Focused approach to revenue opportunities
- Resource prioritization for best return
- Investment of resources to reduce costs or increase return
- Align decisions with Strategic Plan
- Implement Master Plan and use data for future planning
- Focus on being a data driven institution
- Set timelines and benchmarks
- Practice continuous improvement
- OTHER.....

FY 2027 Budget Development

Assessment and Reconciliation Process

- **Assessment**
 - In FY 2025, through the collaborative budget process, various prioritized commitments were funded. As we plan for FY 2027 we will revisit these initiatives, assess the outcomes and determine the level of commitment to further fund the initiative going forward
 - The outcome of various operational efficiency projects that have been accomplished in the most recent years will be evaluated to assess the outcomes and ensure they are being re-evaluated through a continuous improvement cycle.
 - In line with the new data driven rubric for full time position hiring, the temporary and part-time employee budget categories will be reviewed and evaluated for operational necessity, strategic alignment, financial viability, and sufficiency of workload demand.
- **Reconciliation**
 - Roll forward all direct labor costs, including collective bargaining increases, and re-setting benefit cost estimates in alignment with the Commonwealths negotiated fringe benefit rates.
 - Identify and re-direct operating costs associated with resources outside the operating budget such as grants and other trust funds
 - Review reliable trends and data evidencing potential revenue growth/decline.

FY 2027 State Budget Process - continued

- Other State University Budget priorities being pursued include:
 - Level funding of the Internship Incentive Program
 - Additional funds for MassGrant Plus Expansion Program to cover tuition and fees for all students whose families make less than \$100k
 - Funds to restore student behavioral and mental health grants
- Operating Resources
 - The majority of state resources are earmarked to support specific programs and initiatives.
 - For many years Formula Funding has been the only resource that increases baseline operating appropriations to the campuses (in an effort to address increasing costs of operating a institution).
 - A Formula Funding allocation was not provided for in the final FY 2026 budget and was not proposed by the Governor for FY 2027.

FY 2027 Budget Development - continued

Initiatives and Gap Analysis

■ Initiatives

- Through the reconciliation process, continuing and new initiatives will be identified and resources from completed initiatives and unfunded items will be removed
- Priority initiatives under consideration include:
 - a proposal to expand merit aid in an effort to grow first year student deposits and at a minimum to maintain steady first year deposits at a time when other institutions are struggling to maintain their first year deposit numbers.
 - Investment in a multi-year Major fundraising campaign focusing on three major themes; Cultivate Transformational Leadership, Strengthen Regional Vitality, and Unlock Boundless Opportunity

■ Gap Analysis

- Once the reconciliation process is complete we anticipate having a budget gap similar in magnitude of what we have experienced over the past several years.
- While we continue to chip away at the budget deficit through efficiencies, cost reductions and selective rate increases we continue to experience a gap due to cost escalation, inflation and softening of our revenue streams
- While we continue to advocate for Formula Funding which would provide a boost to our operating budget and assist in underwriting the increasing costs of operating a university –
 - we fear that January 2027 may bring with it a series of reductions to our operating appropriation and Massachusetts financial aid resources

Preview of June Budget Package

Filling the Budget Gap

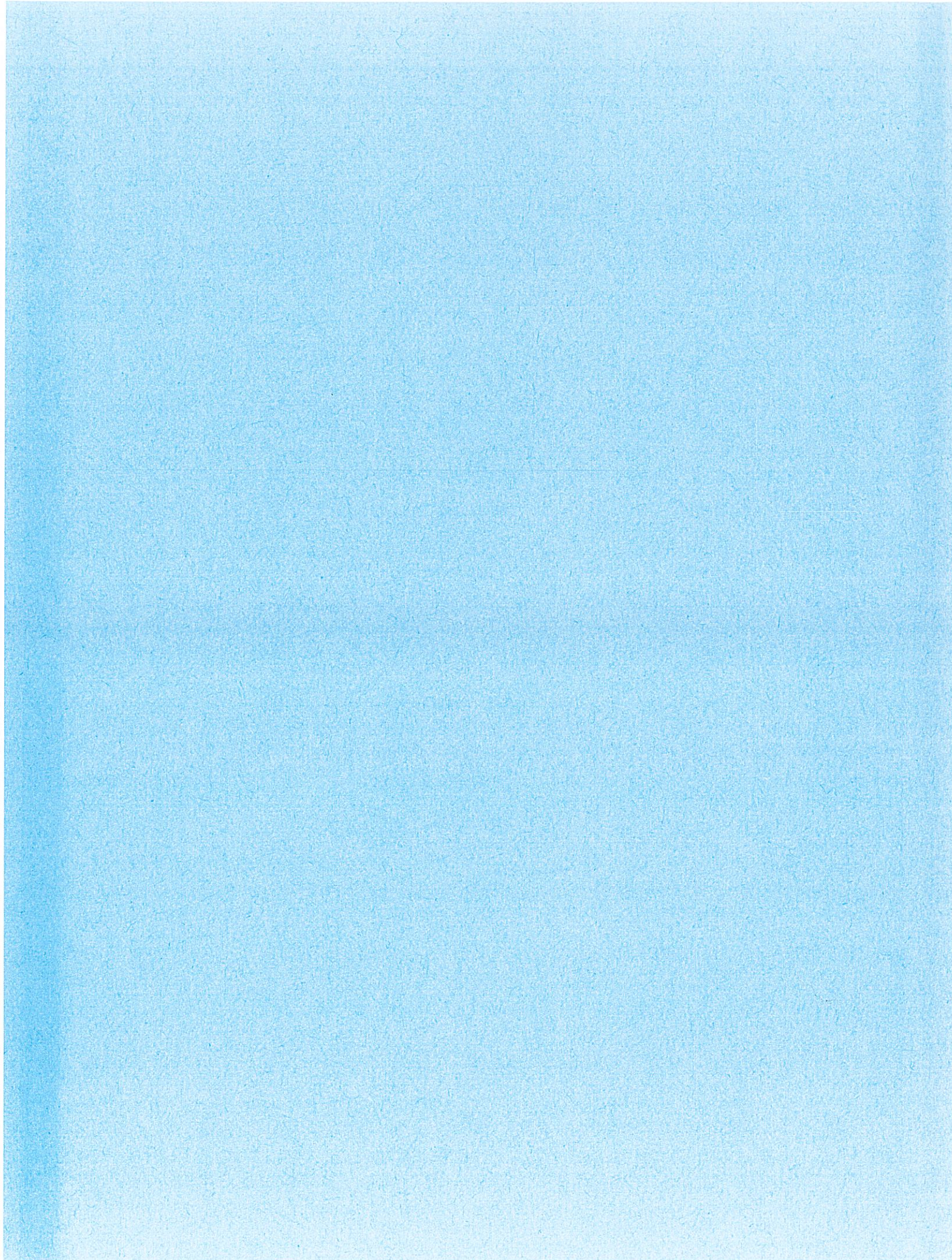
- The operating budget deficit will be identified
 - All identified state resources will be included in the plan
 - All cost saving/revenue generating initiatives will be identified and net savings/net new revenue estimated
 - a General Fee increase will be requested (not to exceed \$500 per yr.)
 - An amount of appropriated reserves will be identified
- Consideration will be given to the **risk of reductions to state funding at mid-year**
- Consideration will be given to implementing a fee increase in two steps allowing for reconsideration of any projected budget deficit should state resources not be reduced and/or additional operating resources are made available through the budget process
- Other trust fund budgets will be reconciled and balanced with consideration of the need for other program fee increases



WORCESTER
STATE
UNIVERSITY

Questions and comments







Memorandum

DATE: May 11, 2026

TO: Barry M. Maloney, President

FROM: Kathleen Eichelroth, Vice President for Administration and Finance

RE: INDIRECT COST RECOVERY TRUST FUND (406)

The purpose of an Indirect Cost Recovery Rate (ICRR) is to reimburse universities for the shared expenses and infrastructure costs that support research and programs but cannot be easily tied to a single specific externally funded project. Without this recovery, universities must divert funds from other institutional priorities like teaching or student services to cover the real costs of supporting research and programs.

Improving indirect cost recovery ensures more money remains available to fund direct operating expenses. Recovering costs frees up funds that can go toward other critical needs, new projects or assist in bridging budget gaps.

WSU has had a negotiated ICRR for almost two decades. While this recovery rate has been in place it has not been consistently applied when preparing grant and revenue contract proposals. Since the formation of the Office of Grants and Sponsored Research (OSGR) funding applications have increasingly included a cost recovery component. The work of the Financial Sustainability Task Force and Operational Excellence efforts have also drawn attention to the need to recover indirect costs as part of negotiating private revenue contracts.

For FY 2027 we are creating the Indirect Cost Recovery Trust Fund (ICRTF) as a means to bridge the operating budget gap. As with many back-office functions, the costs associated with the OSGR are included in the pool of indirect costs associated with supporting research and program activities. The pool of indirect costs are the basis of a university's overhead rate request that is negotiated with Department of Health and Human Services approximately every five years.

When evaluating the cost recoveries received in recent years a positive trend has been demonstrated since 2024 with a cumulative recovery over the past three years to date of \$751,198. The Indirect Cost Recovery Trust Fund will be funded initially by transferring the \$751,198 of funds recovered since 2024 from The General Fund Trust Fund reserve. Future recoveries beginning in July 1, 2026 will be deposited directly to the ICRTF. The initial goal of the trust fund will be to underwrite the costs of the OGSR. Transferring the departmental budget for the OGSR to the ICRTF will match recovered funds with the effort focused on securing vital funding for research and other programs to progress the mission of the university. Moving the departmental expenses from the operating budget also assists in bridging the budget gap.

Future efforts to improve our indirect cost recovery by regularly reviewing and updating our rate agreements, ensuring accurate documentation and consistent application of rates and advocating for full cost recovery where possible, will increase opportunities to shift additional costs to the ICRTF thereby freeing up resources in the operating budget.

The attached trust fund agreement for the Indirect Cost Recovery Trust Fund (406) describes the purpose of the trust fund and establishes a guideline for allowable revenue and expenditures. Also attached are the Standards for the Expenditure of Trust Funds as promulgated by the Board of Higher Education.

The ICRTF budget as prepared for FY 2027 reflects a transfer from The General Trust Fund reserves of indirect cost recovery earned between July 1, 2023 through April 30, 2026 that has been recorded as income in The General Trust Fund. Income for FY 2027 is budgeted at \$150,000. Expenditures of \$430,012 are budgeted to support the Office of Grants and Sponsored Research with anticipated surplus of resources to remain in the fund at the close of FY 2027 of \$471,186.

It is anticipated that the trust fund will be able to fund one additional year of operating costs for the OGSR in FY 2028, if the FY2027 budget is realized. Beyond that fiscal year it may be necessary to supplement cost recovery deposits with university operating resources, requiring a transfer into the ICRTF from The General Trust Fund. While supplemental funding may be necessary going forward, it is important to report the cost recovery deposits in an independent trust fund in an effort to apply the recovery receipts to appropriate expenditures to the fullest extent possible.

Going forward the A&F team will work with the OGSR to prepare and submit an annual budget for the Indirect Cost Recovery Trust Fund as part of the comprehensive budget package that is approved by the Board of Trustees.

<u>Name of Trust Fund</u>	Indirect Cost Recovery Trust Fund
<u>Date established</u>	July 1, 2026
<u>Purpose of Fund</u>	To hold money received by the university as reimbursement for services rendered in support of grants and contracts and to apply the recovered funds as an offset to those indirect costs in future budget cycles.
<u>Source number</u>	406
<u>Source of revenue</u>	Sources of revenue includes receipts from Indirect Cost Recovery funds assessed on grants and contract as permitted per agreement. Current accounts include federal (38001), state (38002) and private (38003). Transfers in from The General Trust Fund as necessary to offset budgeted expenses.
<u>Appropriate expenditures</u>	<p>The cost of actual expenditures that are essential to ensuring compliance with grant management and other administrative functions necessary to support and conduct the research/programs.</p> <p>The scope of expenditures includes those used to determine the Indirect Cost Recovery Rate. The recovery rate allows the university to recoup money spent on:</p> <ul style="list-style-type: none"> • Administration [grants office, procurement, accounting, payroll, legal services and departmental administrative support] • Compliance [ensuring research/programs meet federal, state and other regulations and ethical guidelines]
<u>Inappropriate expenditures</u>	Those in violation of the Worcester State University “Accounting Policy and Procedure Manual”.
<u>Separate bank account</u>	No

Worcester State University
 Indirect Cost Recovery Trust Fund (406)
 FY 2027 Budget

		FY2027 Requested Budget
<u>Sources of Funds:</u>		
	Other Income	\$ 150,000
	Transfer in- General Trust Fund	\$ 751,198
	Total Sources	\$ 901,198
<u>Uses of Funds:</u>		
AA	Regular Employees	\$ 279,170
BB	Employee Related Expenses	10,000
CC	Temporary Part-Time Employees	-
DD	Staff Benefit Expenses	128,725
EE	Administrative Expenses	8,480
FF	Facility Operation Supplies	1,060
HH	Professional Services	-
JJ	Operational Services	500
LL	Equipment Lease, Maintenance, Repair	1,060
RR	Educational Assistance	-
UU	Technology Expenses	1,017
	Transfer Out - Reserves	471,186
	Total Uses	\$ 901,198
	Net Sources / (Uses)	\$ -

BOARD OF HIGHER EDUCATION

STANDARDS FOR THE EXPENDITURES OF TRUST FUNDS

Adopted May 9, 1989
Revised June 6, 1990
Revised October 13, 1992
Revised December 5, 2000

The Commonwealth of Massachusetts

ROLE OF TRUST FUNDS

The term “trust funds” as used in public higher education refers to non-appropriated funds held by the public institutions of higher education.

In Massachusetts, trust funds play an important role in financing the educational needs of all students in the public higher education system. The statutory authority for trust funds in Massachusetts is found in Massachusetts General Laws chapter 15A, Section 9 (N) and 22 (E), Chapter 73 Section 14 and Chapter 75 Section 11 . The language contained in the various statutes provide authority for the Board of Higher Education and institutional boards of trustees to seek, accept, establish and administer trust funds for campus projects, programs and activities. The statutes stipulate that all income received be held in trust and be expended for the purposes for which the trust funds were established. It is important, therefore, that institutions carefully review the purposes for which a trust fund has been established before making any expenditures from the trust fund. Trust funds are used to complement state appropriations in order to ensure sufficient funding of an institution’s total needs. Without trust funds, the Commonwealth’s appropriation would have to be increased or some services could not be undertaken. Trust funds can also provide a vehicle to manage supplemental programs to better meet the needs of the college or university community.

Typically, trust fund revenues are used in connection with a variety of campus activities such as auxiliary enterprises (e.g., student housing, bookstores, food service, vending machines), student activities, financial aid, medical services, public services and research. These funds are self-sustaining. The public colleges and the University have two primary sources of income: state appropriations and local campus revenues or trust funds.

- The expenditure of state appropriated funds is governed by detailed state regulations which control expenditures for all state agencies. Statutory authority for enforcing state regulations rests with several entities including the State Comptroller. The Office of the State Auditor has authority under Chapter 11, Section 12 of the Massachusetts General Laws to audit colleges and universities programmatic and financial activity including trust funds in accordance with General Accepted Government Auditing Standards.
- Trust funds expenditures, however, are regulated differently. Although technically “public” funds, trust funds are not “appropriated” funds, and therefore, are not subject to the same spending rules and regulations as appropriated funds. In many cases, other external regulations govern expenditures of campus trust funds. For example, sponsored research trust funds would be subject to federal and state regulations concerning the expenditure of research monies. Student housing funds may be governed by regulations pertaining to debt service payments associated with dormitory construction. Where external, third-party regulations do not exist, responsibility for regulating and controlling the expenditure of campus trust funds rests with local boards of trustees. The Board of Higher Education

does not have statutory authority over institutional trust funds. The Office of the State Auditor has statutory authority to audit Trust Fund revenue and expenditures.

Because trust fund regulations are locally developed and controlled, they vary from institution to institution and there is a wide spectrum of institutional policies, procedures and regulations which apply. They range from extremely limited regulations to conformity with all state regulations pertaining to appropriated funds. In the vast majority of cases, the guidelines can be considered general in nature, leaving much to the discretion of institutional boards and administrators.

PURPOSE OF THE STANDARDS

A generally shared objective of the Commonwealth of Massachusetts is to improve the quality and effectiveness of its public higher education system and to raise it to a position of leadership in the United States. It is important that the development, utilization, and management of trust funds be conducted in a manner that meets with general approval. Clearly, expenditures from trust funds should be consistent with this overall, long-range goal.

Therefore, these standards for the expenditure of trust funds are intended:

1. To provide some guidance and suggestions on selected expenditures made in the interest of promoting the mission of the institution.
2. To outline recommended standards for expenditures which have the appearance of providing personal benefits to college officials and friends, or of being lavish or extravagant in nature.

It is impossible to discuss every conceivable type of expenditure, which might be made from these funds. These standards are designed to provide greater clarity and more uniformity in the determination of appropriate and inappropriate expenditures of these funds.

The standards should be considered minimum standards. Local boards of trustees must develop institutional guidelines and standards which may be more but not less restrictive.

The standards in this report are designed to apply primarily to those trust funds, which permit broad, discretionary expenditures. However, they shall also be applied to expenditures from all trust funds established by boards of trustees, which are not governed by external (non-trustee) regulations or restrictions.

Underlying Principles

A number of important principles underlie these standards:

1. Institutional autonomy and flexibility as well as local decision-making are important and should be encouraged. These standards should not be construed as an attempt to usurp local authority or to centralize decision-making. Each institution must have the flexibility to fulfill its distinctive mission within the public higher education system.
2. No set of general or detailed guidelines can be a substitute for personal ethics and sound judgment. Expenditures of trust funds should be made with the assumption that those decisions and choices will become public knowledge.
3. Local boards of trustees have the responsibility to issue guidelines to ensure that all Trust Fund revenues due to be received have been received and properly deposited and accounted for.
4. Local boards of trustees have the responsibility to issue clear guidelines for the expenditure of trust funds and to establish the mechanism and structures to actively review these expenditures. Accountability is a critical component of local autonomy. Individuals and institutions should be held accountable for their choices and decisions, including the expenditure of trust funds.
5. Public colleges and the University are members of and participants in the larger communities they serve. As such, they must interact with community groups and civic associations and it can be appropriate for them to make modest and limited expenditures in support of these entities.
6. State institutions, like private institutions, must engage in activities which promote employee morale, generate philanthropic support and enhance the well-being of the institution. Accordingly, reasonable and appropriate expenditures to support such activities can and should be made.
7. Trust funds should not be spent in a manner which gives the impression of lavishness or extravagance. Travel, entertainment and other expenditures should be made in moderation and good taste.
8. Expenditure of trust funds may be subject to federal and state income taxation if they exceed normal allowances, are not adequately accounted for, and/or do not satisfy a requirement that the expenditure was accomplished to satisfy the business needs of the institution.

The following pages outline minimum standards to ensure the proper control of the receipt and expenditure of trust funds.

I. RESPONSIBILITY AND REPORTING

- (1) Responsibility for the specific trust fund guidelines and regulations rests with the institutional board of trustees. These guidelines should include policies

and procedures concerning trust fund revenue sources, appropriate and inappropriate expenditures, bank accounts, spending approval levels and required documentation.

- (2) Responsibility for trust administration rests with the president or chancellor of the institution. Records shall be maintained in accordance with proper accounting procedures, including documentation of receipts, disbursements and bank accounts.
- (3) Policies, procedures and internal controls should be established for all Trust Fund administrative and financial activity. All transactions and significant events should comply with Chapter 647 of the Acts of 1989, An Act Relative to Improving the Internal Controls within State Agencies, and the Office of the State Comptroller's Internal Control Guides for Departments.
- (4) All trust fund activities shall be subject to regular audit and inspection by the State Auditor's department and the Board of Higher Education.
- (5) Clear goals and objectives for the trust fund should be established by the institution and, where feasible, an annual budget should be developed, reviewed by the president and submitted to the board of trustees for approval before the beginning of each fiscal year. Such budgets should include sufficient detail to permit the identification of major expenditures. Expenditures should not exceed budgeted amounts for each Trust Fund without prior approval.
- (6) The president shall provide a detailed accounting of trust fund expenditures to the board of trustees on, at least, a quarterly basis and the audited financial statements to the Board of Higher Education on an annual basis. Additional reports may be requested at the discretion of either board.
- (7) The level of detail required in the quarterly and annual report is left to the discretion of the board of trustees at each campus. However, the level of detail must be sufficient to satisfy board member inquiries and audit requirements and it should also include:
 - certification by the president that all records were maintained in accordance with proper accounting procedures, including documentation of receipts, disbursements and bank accounts, and
 - relationship of the expenditure to institutional mission should be clearly stated or evident

In addition, the president and/or board of trustees should report all violations of trust fund expenditure standards as well as the follow-up action taken to address each violation to the Board of Higher Education. This report should be made on a quarterly basis if violations occur. If no violations occur during

the year, the audit report and management letter are required as confirmation of this fact.

- (8) Also in accordance with Chapter 647 of the Acts of 1989, An Act Relative to Improving the Internal Controls at State Agencies, all unaccounted for variances, losses, shortages or theft of funds or property shall be immediately reported to the Office of the State Auditor (OSA). The OSA is responsible to determine the internal control weaknesses that contributed to or caused an unaccounted-for variance, loss, shortage or theft of funds or property; make recommendations to correct the condition found; identify the internal control policies and procedures that need modification; and report the matter to appropriate management and, if appropriate, law-enforcement officials.
- (9) Wherever these standards require the board of trustees approval, approval may be given by any one of three entities: the full board, a sub-committee of the board or a designated trustee(s). The choice is up to the full board of trustees and should be included in the campus procedures or guidelines.
- (10) Wherever these standards require prior approval, the approval of the annual budget by the board of trustees satisfies prior approval requirements for any expenditure highlighted in these standards if that annual budget includes sufficient detail to permit the identification of said expenditure.
- (11) The president or his or her designees should have discretion over trust fund expenditures up to a ceiling specified by the board of trustees except in the following eight circumstances which require approval by the Board of Trustees regardless of the amount of the expenditures:
 - expenditures which personally benefit the president,
 - expenditures for renovations or repairs of president's office or home,
 - expenditures for individual's membership dues (in excess of \$500 for employees other than the president and for amounts in excess of \$1,000 for the president), except for fees or dues associated with professional organizations that directly advance the institution's mission,
 - expenditures for attendance at charitable dinners or events,
 - expenditures for trustee travel,
 - expenditures for entertainment of guests in president/chancellor's home,
 - expenditures for moving costs, and

- expenditures for purchase or lease of motor vehicles (for use by the president or other administrators.)

Additional discussion on the above expenditures are included in the following sections of the standards.

- (12) Individual expenditures over the ceiling as specified by the board of trustees require the prior approval of the board of trustees. Each board of trustees shall inform the Chancellor of the Board of Higher Education of the ceiling specified by that board.

II. CATEGORIES OF EXPENDITURE

(1) Expenditures of a Personal Nature

- A. Whenever an expenditure would personally benefit or might be seen to personally benefit an individual, that person is prohibited from approving such an expenditure, regardless of the dollar amount. In addition to any board approval required elsewhere in this document, in all such circumstances, an institutional official at a higher organizational level must approve the expenditure in advance.
- B. In the case of a president, the board of trustees must provide prior approval of such expenditures.

(2) General Campus Operations

- A. Facilities renovations, repairs, or decorations may be funded through a combination of the institution's appropriation from the Commonwealth and trust funds. When such expenditures for president/chancellor's home or office are to be made, they must have the prior approval of the board of trustees except in an emergency, in which case the board should be informed as soon as practicable. All such expenditures shall conform to the competitive bidding policies of the Commonwealth and to its associated procurement procedures.
- B. Contractor and consultant fees paid from trust funds should conform to state law pertaining to such activities.
- C. Publications, including president's reports, newsletters, advertisements, magazines, invitations and others should avoid the appearance of extravagance.
- D. Individual's membership fees for civic, academic and/or professional organizations in excess of \$500 must have prior approval by the board of trustees except for such memberships for the president so long as fees are not in excess of \$1,000.

- E. Outright contributions to charitable organizations are prohibited. However, where attendance at a charitable dinner or event will further the public purpose of the institution, expenditure may be permitted subject to prior approval by the board of trustees. The board of trustees may wish to impose a reasonable annual limit on such events for each organization.
- F. Contributions to individuals (or their associated committees) seeking elected, public office are prohibited.
- G. Contributions to political action committees (PACs) or equivalent organizations are prohibited.

(3) Travel and Substance Costs

- A. Employee Travel: When travelling to and from institutional business activities, actual expenditures for transportation, including bus, railroad, airline, subway, taxi and personal auto should be reimbursed to the extent that these expenditures exceed the normal daily cost of commuting to and from the institution. Where practical, the least expensive mode of transportation should be selected.

A comprehensive travel expense voucher must be filed for each trip. The voucher should reflect the cost of registration at a convention or meeting; transportation including local transportation, lodging, meals, and miscellaneous costs. Invoices in support of each item of cost shall be attached to the voucher. If one or more costs items have been separately paid by the institution (e.g. airfare), the cost item should be reported on the voucher, noted as paid and a copy of the airfare ticket or other invoice attached to the voucher. Adequate conference registration documentation should be attached to the voucher to demonstrate the extent to which meals were included in the registration fee.

In particular, all individuals should fly coach class or at discount fares where available.

Reimbursement for personal automobile mileage may be reimbursed at the prevailing state rate plus documented parking and tolls or the applicable collective bargaining agreement.

The circumstances of an out-of-town trip and the availability of public transportation may require the use of rental cars. Individuals should make every effort to take advantage of discount rates with car rental companies.

When travelling on institutional business, staff members should live and conduct business in a cost efficient manner which is both comfortable and safe. Where appropriate and available, discount rates on hotel and motel

stays should be taken advantage of. All charges, other than basic room charge and tax, such as meals, or phone calls should be separately identified on the expense report.

- Campus board of trustees should establish separate reimbursement policies for incidental travel expenses.

Business meals including food and beverages expenses must be reasonable and appropriate under the circumstances.

Examples of reasonable expenses:

- Meal expenditures which have a clear business purpose
- Meals while travelling out-of-town on institutional business
- Expenditures for the purpose of recruiting potential employees
- Meals incurred as part of attendance at conferences or meetings of professional organizations

Expense documentation should include:

- Date, city, restaurant and description of meal (lunch, dinner, etc.)
- Name(s), company, affiliation(s) and business relationship(s) of person(s) in attendance
- Business purpose and benefit to the institution for incurring the expenses
- Amount spent

In addition, business meal expenses must be documented by a receipt. Any meal not accompanied by a receipt may be reimbursed at the Commonwealth's per diem rate for meals. Also individuals monthly charges should be accompanied by an original receipt.

Expenditures of a personal nature, unreasonable or excessive expenses, and those not specifically related to the conduct of institutional business are not reimbursable. The following are indicative of the type of expenditures that should not be reimbursed:

- Excessive or extravagant costs (e.g., expensive wines, exclusive restaurants)
- Personal entertainment

- Travel insurance in excess of the amount automatically provided by the institution and the Commonwealth
 - Fines for traffic or parking violations
 - Insurance for a personally-owned car
 - Articles stolen from a personal or rental car
 - Briefcases and luggage
 - Expenses incurred in connection with personal business
 - Any unexplained expenses
- B. Non-employee Travel: Trust fund expenditures to pay for spouse or personal guest travel are not permitted. If the spouse or guest is a participant on a conference panel or program, expense reimbursement should be sought from the sponsoring organization or personal funds should be used.

At the president's direction, students may be allowed to incur travel expenses charged to the trust funds. Trustee travel must be approved by the chairman of the board of trustees. In all cases, the activities and expenses must be clearly related to the mission of the institution.

For such individuals, expense documentation should conform to the documentation required for employee expenses. In addition, the listing of unallowable expense noted for employees also applies to the aforementioned individuals.

(4) Personal and Student Loans

- A. Personal loans should not be granted to institutional staff, students or board members. This requirement does not apply to regular financial aid programs at the institution.
- B. In certain rare circumstances, it may be permissible to provide salary advances to employees if the institution cannot meet payroll due to technical difficulties (e.g., computer failure, etc.). Such advances should be repaid promptly to the trust fund.

(5) Employee and Student Recognition and Activities

- A. Within moderate limits set by the board of trustees, certain expenditures of trust funds to enhance employees and student morale or to recognize achievement, longevity, performance or retirement can be made. These circumstances include but are not limited to:
- institutional social functions, and

- employee and student recognition awards and dinners.

(6) Entertainment of institutional donors, alumni, friends, guests and visitors

- A. Such entertainment should be in moderation and good taste.
- B. It is appropriate for a college president to entertain guests in his or her home as part of official duties. Such expenditures must have prior approval of the board of trustees.
- C. Areas of expenditure for entertainment can include:
 - Equipment and furniture rentals
 - Materials and supplies
 - Food and beverage
 - Entertainment
 - Service staff
 - Travel and related expenses (in conformity with the travel guidelines noted above)
- D. Sports, theatre and other entertainment tickets cannot be purchased with trust funds unless the event is being held on campus and the expenditure benefits the mission of the institution or directly supports its instructional programs.

(7) Miscellaneous

- A. Moving expenses are appropriate for the President and selected employees of the institution. Attracting individuals of high quality can require moving them from other parts of the state or country. Moving expenses should not exceed the regional, average cost of moving between two points, and must have the prior approval of the board of trustees. Competitive bids for moving costs should be sought in all cases. These expenditures should not include storage fees while an employee waits to sell or purchase a home.
- B. Purchase or lease of any motor vehicle with trust funds (for use by the president or other administrators) must have prior approval of the board of trustees. The lease or purchase of a full-sized, mid-priced automobile for the president's use may be appropriate. If a more expensive vehicle is desired by the president, the difference between the stated limits and the actual cost should be paid with the president's personal funds. Compliance with IRS guidelines for the personal use of an institutional vehicle should be adhered to by a president or other administrator.
- C. Purchase of flowers, gifts and cards in moderation from trust funds may be appropriate. Appropriate occasions include but are not limited to:

- death or illness of an employee, student, trustee or person of special importance to the institution, or immediate family of said persons, and
 - visit of special guests.
- D. Private clubs initiation fees and membership dues are not an allowable expense. Membership fees for professional or academic organizations and civic groups are an allowable expense; however, any initiation fee or annual membership fee for the president in excess of \$1,000 must have the prior approval of the institution's board of trustees. Membership fees in excess of \$500 for employees other than the president must have prior approval.
- E. Policies passed by the Board of Higher Education after approval of the Trust Fund Guidelines (last revised on December 5, 2000) shall supersede expenditure and reporting requirements as indicated in these Guidelines.

III. CLOSING COMMENTS

As noted previously, these proposed minimum standards for the expenditure of trust funds are not all-inclusive. It is impossible to outline every possible type of expenditure which might be made from these funds. However, when a trust fund expenditure decision must be made, it should be made in recognition of the public nature of these funds and in moderation of good taste.

Campus boards of trustees are expected to establish standards for the expenditures of trust funds that meet or exceed the Board of Higher Education's minimum standards as identified in this document. The institution's board of trustees shall approve campus-based standards. Each institution shall make its standards for the expenditure of trust fund available to the campus community.

The Board of Higher Education and the campuses will undertake a review of their standards for the expenditure of trust funds at least every five years.

FY 2026 Quarter 3 Comparative Financial Reports

All Trust Funds

Year-to-Date Revenue through March 31, 2026, with comparative information from FY 2025 Year-to-Date Expenses through March 31, 2026, with comparative information from FY 2025

Operating Budget (*State Appropriations and General Purpose Trust Fund*)

Year-to-Date Revenue through March 31, 2026, with comparative information from FY 2025 Year-to-Date Expenses through March 31, 2026, with comparative information from FY 2025

Resident Hall Trust Fund

Year-to-Date Revenue through March 31, 2026, with comparative information from FY 2025 Year-to-Date Expenses through March 31, 2026, with comparative information from FY 2025



All Trust Funds



Worcester State University
All Trust Fund Report - Quarter 3
FY26 vs FY25 Budget vs Actuals
Revenues 3/31/2026 & 3/31/2025

Account Description	FY 2026					FY 2025				
	Original Budget - BOT	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	Original Budget - BOT	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned
General Trust Fund (400)	46,099,472.00	44,750,482.00	45,973,883.55	102.73%	(1,223,401.55)	47,357,796.00	43,539,800.00	46,065,488.07	105.80%	(2,525,688.07)
Capital Improvement Trust Fund (405)	2,672,610.00	2,672,610.00	2,515,332.45	94.12%	157,277.55	2,689,788.00	2,689,788.00	2,604,186.00	96.82%	85,602.00
Parking Garage Operating Fund (408) (funded by transfers)	1,211,206.00	-	-	0.00%	-	721,206.00	-	-	0.00%	-
Strategic Plan Trust Fund (410) (funded by transfers)	20,000.00	-	-	0.00%	-	335,000.00	-	-	0.00%	-
Wellness Center Trust Fund (429)	195,422.00	82,908.00	73,396.41	88.53%	9,511.59	100,422.00	48,010.00	65,596.66	136.63%	(17,586.66)
Parking Fines Fund (439)	112,315.00	112,315.00	116,805.00	104.00%	(4,490.00)	96,849.00	96,849.00	98,420.00	101.62%	(1,571.00)
Health Services Trust Fund (442)	986,463.00	986,463.00	974,061.06	98.74%	12,401.94	998,306.00	998,306.00	971,373.68	97.30%	26,932.32
Resident Hall Trust Fund (445)	14,012,455.00	12,563,592.00	12,635,079.75	100.57%	(71,487.75)	13,590,649.00	12,277,962.00	11,861,801.22	96.61%	416,160.78
Student Activities Trust Fund (446)	455,583.00	413,583.00	409,101.19	98.92%	4,481.81	455,744.00	231,852.00	225,592.07	97.30%	6,259.93
Residence Hall Technology and Equipment Trust Fund (448)	278,740.00	278,740.00	284,350.00	102.01%	(5,610.00)	275,000.00	275,000.00	278,740.00	101.36%	(3,740.00)
	66,044,266.00	61,860,693.00	62,982,009.41	101.81%	(1,121,316.41)	66,620,760.00	60,157,567.00	62,171,197.70	103.35%	(2,013,630.70)

Worcester State University
All Trust Fund Report - Quarter 3
FY26 vs FY25 Budget vs Actuals
Expenses 3/31/2026 & 3/31/2025

Account Description	FY2026					FY2025				
	Original Budget - BOT	Expenditure Budget	Expenditure Actual	Percent of Budget Spent	Available	Original Budget - BOT	Expenditure Budget	Expenditure Actual	Percent of Budget Spent	Available
General Trust Fund (400)	46,099,472.00	46,099,471.74	28,458,601.47	61.73%	17,640,870.27	47,357,796.00	47,357,795.87	28,721,180.90	60.65%	18,636,614.97
Capital Improvement Trust Fund (405)	2,672,610.00	536,617.00	428,905.42	79.93%	107,711.58	2,689,788.00	536,617.00	735,684.55	137.10%	(199,067.55)
Parking Garage Operating Fund (408)	1,211,206.00	1,211,206.00	281,811.05	23.27%	929,394.95	721,206.00	721,206.00	307,742.33	42.67%	413,463.67
Strategic Plan Trust Fund (410)	20,000.00	20,000.00	20,442.00	102.21%	(442.00)	335,000.00	335,000.00	300,000.00	89.55%	35,000.00
Wellness Center Trust Fund (429)	195,422.00	195,422.00	51,438.82	26.32%	143,983.18	100,422.00	100,422.00	40,322.24	40.15%	60,099.76
Parking Fines Fund (439)	112,315.00	90,000.00	86,636.63	96.26%	3,363.37	96,849.00	90,000.00	35,616.93	39.57%	54,383.07
Health Services Trust Fund (442)	986,463.00	618,869.00	314,357.70	50.80%	304,511.30	998,306.00	619,969.00	363,787.27	58.68%	256,181.73
Resident Hall Trust Fund (445)	14,012,455.00	14,012,455.00	8,587,366.73	61.28%	5,425,088.27	13,590,649.00	13,590,649.00	8,915,101.38	65.60%	4,675,547.62
Student Activities Trust Fund (446)	455,583.00	455,583.00	278,043.38	61.03%	177,539.62	455,744.00	463,721.08	245,417.34	52.92%	218,303.74
Residence Hall Technology and Equipment Trust Fund (448)	278,740.00	192,944.00	182,585.78	94.63%	10,358.22	275,000.00	192,944.00	188,849.78	97.88%	4,094.22
	66,044,266.00	63,432,567.74	38,690,188.98	60.99%	24,742,378.76	66,620,760.00	64,008,323.95	39,853,702.72	62.26%	24,154,621.23

Operating Budget



Worcester State University
FY26 vs FY25 Budget vs Actuals - Quarter 3
Revenues 400, 111, & Closing Sources
Revenues 3/31/2026 & 3/31/2025

Description	FY 2026					FY 2025				
	Original Budget - Upload	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	Original Budget - Upload	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned
Academic Fees	(38,529,758.00)	(38,529,758.00)	(37,478,571.04)	97.27%	(1,051,186.96)	(37,394,175.00)	(37,394,175.00)	(36,163,485.71)	96.71%	(1,230,689.29)
Fee Waivers	1,292,165.00	1,292,165.00	1,481,727.24	114.67%	(189,562.24)	1,033,879.00	1,033,879.00	1,292,165.25	124.98%	(258,286.25)
Tuition	(7,317,522.00)	(9,217,522.00)	(7,978,958.15)	86.56%	(1,238,563.85)	(7,100,768.00)	(9,000,768.00)	(8,737,702.25)	97.08%	(263,065.75)
Tuition Waivers	284,470.00	284,470.00	301,473.44	105.98%	(17,003.44)	298,916.00	298,916.00	284,469.00	95.17%	14,447.00
Activity Income	(110,000.00)	(110,000.00)	(280,815.91)	255.29%	170,815.91	(112,190.00)	(112,190.00)	(273,600.87)	243.87%	161,410.87
Other Income	(369,837.00)	(415,427.00)	(2,882,986.28)	693.98%	2,467,559.28	(265,462.00)	(312,052.00)	(2,699,962.50)	865.23%	2,387,910.50
State Maintenance	(61,325,825.00)	(61,325,825.00)	(36,880,859.38)	60.14%	(24,444,965.62)	(55,982,443.00)	(55,982,443.00)	(46,090,742.91)	82.33%	(9,891,700.09)
	(106,076,307.00)	(108,021,897.00)	(83,718,990.08)	77.50%	(24,302,906.92)	(99,522,243.00)	(101,468,833.00)	(92,388,859.99)	91.05%	(9,079,973.01)

Worcester State University
FY26 vs FY25 Budget vs Actuals - Quarter 3
Expenses 400, 111, & Closing Sources
Expenses 3/31/2026 & 3/31/2025

		FY 2026					FY 2025				
Account Description	Object	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available
Regular Employees	AAA	49,923,165.00	49,923,165.00	25,276,369.65	50.63%	24,646,795.35	48,359,308.00	48,359,308.13	32,999,976.47	68.24%	15,359,331.66
Employee Related Expenses	BBB	1,058,503.00	891,833.80	628,883.08	70.52%	262,950.72	607,453.00	728,383.26	501,597.72	68.86%	226,785.54
Temporary Part-Time Employees	CCC	10,348,199.00	10,436,550.49	7,671,808.10	73.51%	2,764,742.39	9,979,580.00	10,012,540.00	7,340,209.55	73.31%	2,672,330.45
Staff Benefit Expenses	DDD	22,161,988.00	22,162,448.87	9,269,770.40	41.83%	12,892,678.47	21,695,448.00	21,695,448.09	14,697,542.41	67.74%	6,997,905.68
Administrative Expenses	EEE	2,987,715.00	3,102,488.85	16,800,097.79	541.50%	(13,697,608.94)	2,890,154.00	2,974,033.48	2,056,801.34	69.16%	917,232.14
Facility Operation Supplies	FFF	2,917,621.00	1,793,873.48	982,722.08	54.78%	811,151.40	2,615,975.00	1,671,382.04	960,322.96	57.46%	711,059.08
Energy/Space Rental	GGG	2,140,200.00	1,941,700.00	1,418,086.97	73.03%	523,613.03	2,140,200.00	1,992,720.00	1,160,727.54	58.25%	831,992.46
Professional Services	HHH	1,567,927.00	4,404,855.33	3,399,847.01	77.18%	1,005,008.32	894,652.00	3,710,904.09	2,361,478.31	63.64%	1,349,425.78
Operational Services	JJJ	1,083,832.00	1,102,450.18	1,107,366.46	100.45%	(4,916.28)	1,069,146.00	1,095,341.14	1,161,289.19	106.02%	(65,948.05)
Equipment Purchase	KKK	1,008.00	267,150.55	71,984.48	26.95%	195,166.07	-	66,819.06	69,469.05	103.97%	(2,649.99)
Equipment Lease, Maintenance, Repair	LLL	1,175,177.00	1,448,144.58	1,009,894.58	69.74%	438,250.00	1,100,177.00	1,334,662.38	965,297.71	72.33%	369,364.67
Infrastructure & Building Improvements	NNN	4,727,536.00	4,314,352.46	1,129,293.85	26.18%	3,185,058.61	5,228,226.00	4,823,661.40	1,726,005.87	35.78%	3,097,655.53
Educational Assistance	RRR	2,416,964.00	2,416,964.00	2,835,214.00	117.30%	(418,250.00)	2,416,964.00	2,416,964.00	2,321,059.04	96.03%	95,904.96
Debt Service	SSS	567,536.00	567,536.00	94,306.25	16.62%	473,229.75	567,536.00	567,536.00	72,137.50	12.71%	495,398.50
Loans & Special Pmts	TTT	-	-	-	0.00%	-	-	-	-	0.00%	-
Technology Expenses	UUU	4,347,926.00	4,597,373.41	3,023,523.07	65.77%	1,573,850.34	3,775,420.00	3,837,125.93	3,025,444.20	78.85%	811,681.73
		107,425,297.00	109,370,887.00	74,719,167.77	68.32%	34,651,719.23	103,340,239.00	105,286,829.00	71,419,358.86	67.83%	33,867,470.14

Residence Hall Trust Fund



Worcester State University
FY26 vs FY25 Budget vs Actuals - Quarter 3
Residence Hall Trust Fund Revenue (Source 445)
3/31/2026 & 3/31/2025

	6					FY 2025				
Description	Original Budget - Upload	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	Original Budget - BOT	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned
Academic Fees	-	-	64,595.00	0%	(64,595.00)	-	-	63,350.00	0%	(63,350.00)
Res Hall Room Charges	14,012,455.00	12,563,592.00	12,445,855.86	99%	117,736.14	13,590,649.00	12,277,962.00	11,635,918.54	95%	642,043.46
Other Student Charges	-	-	124,628.89	0%	(124,628.89)	-	-	162,532.68	0%	(162,532.68)
	14,012,455.00	12,563,592.00	12,635,079.75	1.01	(71,487.75)	13,590,649.00	12,277,962.00	11,861,801.22	0.97	416,160.78

Worcester State University
FY26 vs FY25 Budget vs Actuals - Quarter 3
Residence Hall Trust Fund Expenses (Source 445)
3/31/2026 & 3/31/2025

FY 2026							FY 2025				
Account Description	Object	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available
Regular Employees	AAA	1,808,270.00	1,808,270.00	984,700.29	54.46%	823,569.71	1,639,968.00	1,639,968.00	1,102,501.30	67.23%	537,466.70
Employee Related Expenses	BBB	-	10,200.00	4,004.21	39.26%	6,195.79	-	5,435.00	5,772.81	106.22%	(337.81)
Temporary Part-Time Employees	CCC	235,000.00	235,000.00	233,481.62	99.35%	1,518.38	225,000.00	225,000.00	202,173.75	89.86%	22,826.25
Staff Benefit Expenses	DDD	814,806.00	814,806.00	395,243.61	48.51%	419,562.39	751,270.00	751,269.77	463,267.04	61.66%	288,002.73
Administrative Expenses	EEE	30,714.00	38,989.80	14,955.73	38.36%	24,034.07	32,500.00	28,820.00	11,885.23	41.24%	16,934.77
Facility Operation Supplies	FFF	285,000.00	267,584.00	122,056.76	45.61%	145,527.24	275,000.00	213,115.97	115,870.36	54.37%	97,245.61
Energy/Space Rental	GGG	9,400,766.00	5,912,440.80	2,127,059.08	35.98%	3,785,381.72	9,400,766.00	9,400,765.51	2,067,126.83	21.99%	7,333,638.68
Professional Services	HHH	10,700.00	27,850.00	15,550.00	55.83%	12,300.00	10,200.00	9,900.00	5,063.19	51.14%	4,836.81
Operational Services	JJJ	-	-	-	0.00%	0.00	-	-	-	0.00%	0.00
Equipment Purchase	KKK	-	-	-	0.00%	0.00	-	-	-	0.00%	0.00
Equipment Lease, Maintenance, Repair	LLL	78,500.00	66,496.00	41,104.67	61.82%	25,391.33	37,500.00	45,400.00	42,395.10	93.38%	3,004.90
Infrastructure & Building Improvements	NNN	853,749.00	819,359.20	544,682.90	66.48%	274,676.30	697,084.00	736,074.75	557,184.39	75.70%	178,890.36
Educational Assistance	RRR	468,950.00	468,950.00	580,862.52	123.86%	(111,912.52)	468,950.00	468,950.00	586,076.00	124.98%	(117,126.00)
Debt Service	SSS	-	3,488,325.20	3,488,325.20	100.00%	0.00	-	-	3,678,545.50	0.00%	(3,678,545.50)
Technology Expenses	UUU	26,000.00	54,184.00	35,340.14	65.22%	18,843.86	52,411.00	65,950.00	77,239.88	117.12%	(11,289.88)
		14,012,455.00	14,012,455.00	8,587,366.73	61.28%	5,425,088.27	13,590,649.00	13,590,649.00	8,915,101.38	65.60%	4,675,547.62

