The Gonzaga experience fosters a mature commitment to dignity of the human person, social justice, diversity, intercultural competence, global engagement, solidarity with the poor and vulnerable, and care for the planet. Grateful to God, the Gonzaga community carries out this mission with responsible stewardship of our physical, financial, and human resources.
## GONZAGA UNIVERSITY

### FY2015-16 PROPOSED UNRESTRICTED OPERATING BUDGET

#### SUMMARY OPERATING BUDGET

<table>
<thead>
<tr>
<th>Gross Revenue &amp; Other Sources</th>
<th>FY2014-15 Adjusted Base Budget</th>
<th>Proposed Changes</th>
<th>FY2015-16 Proposed Budget</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Fees</td>
<td>$218,922,115</td>
<td>$4,643,119</td>
<td>$223,565,234</td>
<td>2.12%</td>
</tr>
<tr>
<td>Auxiliaries</td>
<td>27,734,664</td>
<td>(710,914)</td>
<td>27,023,750</td>
<td>-2.56%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>8,889,089</td>
<td>370,250</td>
<td>9,259,339</td>
<td>4.17%</td>
</tr>
<tr>
<td>Other Funding Sources</td>
<td>1,900,000</td>
<td>2,346,929</td>
<td>4,246,929</td>
<td>123.52%</td>
</tr>
<tr>
<td><strong>Total Gross Revenue &amp; Other Sources</strong></td>
<td>$257,445,868</td>
<td>$6,649,384</td>
<td>$264,095,252</td>
<td>2.58%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>FY2014-15Adjusted Base Budget</th>
<th>Proposed Changes</th>
<th>FY2015-16 Proposed Budget</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Aid</td>
<td>$74,337,902</td>
<td>$3,194,951</td>
<td>$77,532,853</td>
<td>4.30%</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>116,499,822</td>
<td>2,734,964</td>
<td>119,234,786</td>
<td>2.35%</td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>43,728,448</td>
<td>188,046</td>
<td>43,916,494</td>
<td>0.43%</td>
</tr>
<tr>
<td>Capital Expenditures (Including Library)</td>
<td>4,064,572</td>
<td>(3,590)</td>
<td>4,060,982</td>
<td>-0.09%</td>
</tr>
<tr>
<td>Renewal &amp; Replacement</td>
<td>2,726,387</td>
<td>240,000</td>
<td>2,966,387</td>
<td>8.80%</td>
</tr>
<tr>
<td>Debt Service (Principal and Interest)</td>
<td>12,776,999</td>
<td>442,000</td>
<td>13,218,999</td>
<td>3.46%</td>
</tr>
<tr>
<td>Reserve-Underwater Endowment</td>
<td>500,000</td>
<td>(100,000)</td>
<td>400,000</td>
<td>-20.00%</td>
</tr>
<tr>
<td>Contingency</td>
<td>2,811,738</td>
<td>(46,987)</td>
<td>2,764,751</td>
<td>-1.67%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$257,445,868</td>
<td>$6,649,384</td>
<td>$264,095,252</td>
<td>2.58%</td>
</tr>
</tbody>
</table>

---

Certain prior year balances have been reclassified to be in conformity with the FY2015-16 presentation. The total adjusted base budget increased by $1,935,675 due to reclassifying the $1.9M Law School funding from other sources from a contra expense to a funding source and $35,675 of mid-year revenue adjustments for the Campus Card program.
## GONZAGA UNIVERSITY

### FY2015-16 PROPOSED UNRESTRICTED OPERATING BUDGET

#### REVENUE AND OTHER SUPPORT SUMMARY

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2014-15 Adjusted Base Budget</th>
<th>FY2015-16 Proposed Budget</th>
<th>Dollar Change</th>
<th>% Change</th>
<th>% of Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tuition and Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Undergraduate - on-campus</td>
<td>$164,491,780</td>
<td>$167,873,475</td>
<td>$3,381,695</td>
<td>2.1%</td>
<td>64.6%</td>
</tr>
<tr>
<td>3. Florence</td>
<td>8,290,550</td>
<td>9,093,850</td>
<td>803,300</td>
<td>9.7%</td>
<td>3.5%</td>
</tr>
<tr>
<td>4. Other Study Abroad</td>
<td>650,600</td>
<td>1,770,740</td>
<td>1,120,140</td>
<td>172.2%</td>
<td>0.7%</td>
</tr>
<tr>
<td>5. Less: Institutional Financial Aid</td>
<td>$(69,794,410)</td>
<td>$(72,452,792)</td>
<td>$(2,658,382)</td>
<td>3.8%</td>
<td>-27.9%</td>
</tr>
<tr>
<td>6. Graduate</td>
<td>24,082,955</td>
<td>25,237,050</td>
<td>1,154,095</td>
<td>4.8%</td>
<td>9.7%</td>
</tr>
<tr>
<td>7. Reserve for Graduate Revenue</td>
<td>$(450,000)</td>
<td>$(450,000)</td>
<td>-</td>
<td>N/A</td>
<td>-0.2%</td>
</tr>
<tr>
<td>8. School of Ed - Site Based Programs</td>
<td>3,093,595</td>
<td>1,975,890</td>
<td>$(1,117,705)</td>
<td>-36.1%</td>
<td>0.8%</td>
</tr>
<tr>
<td>9. Law (including Florence &amp; China)</td>
<td>12,416,940</td>
<td>12,337,554</td>
<td>$(79,386)</td>
<td>-0.6%</td>
<td>4.7%</td>
</tr>
<tr>
<td>10. Less: Institutional Financial Aid</td>
<td>$(4,555,385)</td>
<td>$(5,185,340)</td>
<td>$(629,955)</td>
<td>13.8%</td>
<td>-2.0%</td>
</tr>
<tr>
<td>11. Doctoral</td>
<td>1,167,650</td>
<td>1,029,825</td>
<td>$(137,825)</td>
<td>-11.8%</td>
<td>0.4%</td>
</tr>
<tr>
<td>12. ESL &amp; Other</td>
<td>1,627,775</td>
<td>1,182,480</td>
<td>$(445,295)</td>
<td>-27.4%</td>
<td>0.5%</td>
</tr>
<tr>
<td>13. Fees</td>
<td>3,550,270</td>
<td>3,514,370</td>
<td>$(35,900)</td>
<td>-1.0%</td>
<td>1.4%</td>
</tr>
<tr>
<td>14. Total Tuition and Fees - Net</td>
<td>$144,572,320</td>
<td>$145,927,102</td>
<td>$1,354,782</td>
<td>0.9%</td>
<td>56.2%</td>
</tr>
<tr>
<td>15. Total Tuition and Fees - Gross</td>
<td>$218,922,115</td>
<td>$223,565,234</td>
<td>$4,643,119</td>
<td>2.1%</td>
<td>86.0%</td>
</tr>
</tbody>
</table>

#### Auxiliary Revenue

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2014-15</th>
<th>FY2015-16</th>
<th>Dollar Change</th>
<th>% Change</th>
<th>% of Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>17. Dining</td>
<td>$11,380,805</td>
<td>$16,095,270</td>
<td>$(485,355)</td>
<td>-6.0%</td>
<td>4.1%</td>
</tr>
<tr>
<td>18. Less: Sodexo Cost of Sales</td>
<td>$(8,758,212)</td>
<td>$(8,151,073)</td>
<td>$607,139</td>
<td>-6.9%</td>
<td>3.1%</td>
</tr>
<tr>
<td>19. Housing &amp; Off Campus Rentals</td>
<td>15,472,423</td>
<td>15,341,480</td>
<td>$(130,943)</td>
<td>-0.8%</td>
<td>5.9%</td>
</tr>
<tr>
<td>20. Zag Shop (net commission)</td>
<td>660,000</td>
<td>660,000</td>
<td>0.0%</td>
<td>0.3%</td>
<td></td>
</tr>
<tr>
<td>21. Other Auxiliaries</td>
<td>221,436</td>
<td>327,000</td>
<td>105,564</td>
<td>47.7%</td>
<td>0.1%</td>
</tr>
<tr>
<td>22. Total Auxiliary Revenue - Net</td>
<td>$18,976,452</td>
<td>$18,872,677</td>
<td>$(103,775)</td>
<td>-0.5%</td>
<td>7.3%</td>
</tr>
<tr>
<td>23. Total Auxiliary Revenue - Gross</td>
<td>$27,734,664</td>
<td>$27,023,750</td>
<td>$(710,914)</td>
<td>-2.6%</td>
<td>10.4%</td>
</tr>
</tbody>
</table>

#### Other Revenue

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2014-15</th>
<th>FY2015-16</th>
<th>Dollar Change</th>
<th>% Change</th>
<th>% of Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>25. Athletic Sales and Services</td>
<td>$5,557,607</td>
<td>$5,557,607</td>
<td>0.0%</td>
<td>2.1%</td>
<td></td>
</tr>
<tr>
<td>26. Sales and Services</td>
<td>1,489,162</td>
<td>1,455,922</td>
<td>$(33,240)</td>
<td>-2.2%</td>
<td>0.6%</td>
</tr>
<tr>
<td>27. Fund for Gonzaga</td>
<td>1,500,000</td>
<td>1,500,000</td>
<td>0.0%</td>
<td>0.6%</td>
<td></td>
</tr>
<tr>
<td>28. Other Revenues</td>
<td>342,320</td>
<td>745,810</td>
<td>403,490</td>
<td>117.9%</td>
<td>0.3%</td>
</tr>
<tr>
<td>29. Total Other Revenue</td>
<td>$8,889,089</td>
<td>$9,259,339</td>
<td>$370,250</td>
<td>4.2%</td>
<td>3.6%</td>
</tr>
<tr>
<td>30. Total Revenues - Net</td>
<td>$172,437,861</td>
<td>$174,059,118</td>
<td>$1,621,257</td>
<td>0.9%</td>
<td>67.0%</td>
</tr>
<tr>
<td>31. Total Revenues - Gross</td>
<td>$255,545,868</td>
<td>$259,848,323</td>
<td>$4,302,455</td>
<td>1.7%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

### Notes

- Budgeted total gross revenue (line 31) increases 1.7% or $4.3M. This compares to 3.4% or $8.3M in the FY2014-15 budget. Budgeted net revenue (line 30) increases 0.9% or $1.6M. This compares to 2.3% or $3.9M in FY14-15.

- Undergraduate on-campus gross revenue (line 2) increases by 2.1% or $3.4M due to a 4% rate increase, which is offset by a decrease in budgeted headcount of 80. Budgeted Fall 2015 enrollment is 4,464 compared to 4,544 in fall 2014. The decrease is primarily due to the variance in the Fall 2014 freshman class, which was 82 students below budget.

- Budgeted undergraduate net tuition revenue per student increases to $21,825, which is 2.8% over the January FY14-15 projection of $21,238 and 3% over the FY14-15 original budget of $21,198.

- The 3.8% increase in institutional financial aid (line 5) reflects an increase in the Fall 2014 freshman discount rate from the 43% budget to the 44.3% actual rate. The fall 2015 freshman discount rate is budgeted at 45%.

- Graduate gross revenue (line 6) increases 4.8% or $1.15M. FY2015-16 is the first year of differential pricing for graduate programs resulting in tuition increases ranging from 0% in Professional Studies to 3.89% in Nursing and Business. Approximately $620K of the revenue increase is due to increased rates and $534K is due to an overall credit increase of 609 credits from the prior year. See Appendix 2A on page 54 for the detail of graduate credits and revenue.

- Law gross revenue (line 9) decreases 0.6% or $79K due to the summer Florence and China programs not being offered for in FY 16. Law School enrollment is budgeted at 323 for FY2015-16, compared to a FY14-15 budget of 330 and actual fall enrollment of 336. The Law School FY15-16 tuition rate is unchanged for the third consecutive year.

- Auxiliary budgeted gross revenue (line 23) increases 2.6% or $711K due primarily to decreased sophomore and freshman headcount.

- Other revenue (line 29) increases 4.2% or $370K due primarily to new revenues associated with the Hemmingson Center.

- The Other Support section (starting on line 32) displays one-time funding included in the budget which is detailed below.

#### Law School funding from Other Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>FY2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Law School Foundation</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Law School Other Sources</td>
<td>900,000</td>
</tr>
<tr>
<td>Total Law School</td>
<td>$1,900,000</td>
</tr>
</tbody>
</table>

#### Translational funding from Other Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>FY2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service Reserve Fund</td>
<td>$559,713</td>
</tr>
<tr>
<td>AVP-Various Funds</td>
<td>1,000,000</td>
</tr>
<tr>
<td>President-Various Funds</td>
<td>50,000</td>
</tr>
<tr>
<td>Athletics-Various Funds</td>
<td>33,031</td>
</tr>
<tr>
<td>Finance</td>
<td>15,485</td>
</tr>
<tr>
<td>Accumulated Undesignated Fund Balance (Fund 1000)</td>
<td>688,700</td>
</tr>
<tr>
<td>Total</td>
<td>$2,346,929</td>
</tr>
</tbody>
</table>
## FY2015-16 Proposed Unrestricted Operating Budget
### Expenditures by Activity

<table>
<thead>
<tr>
<th>Category</th>
<th>Academics (1)</th>
<th>Student Experience (2)</th>
<th>Financial Aid (3)</th>
<th>Athletics &amp; Fitness Center (4)</th>
<th>Facilities and Technology (5)</th>
<th>General Administration &amp; General Institutional (6)</th>
<th>Cost of Goods Sold</th>
<th>Total</th>
<th>Percentage of Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty Salaries</td>
<td>$40,257,314</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$40,257,314</td>
<td>15.24%</td>
</tr>
<tr>
<td>Non-Faculty Salaries</td>
<td>14,128,540</td>
<td>8,402,436</td>
<td>-</td>
<td>7,349,861</td>
<td>9,983,725</td>
<td>-</td>
<td>7,713,634</td>
<td>-</td>
<td>18.02%</td>
</tr>
<tr>
<td>Student Wages &amp; Honoraria</td>
<td>961,918</td>
<td>810,253</td>
<td>829,325</td>
<td>245,867</td>
<td>223,376</td>
<td>149,453</td>
<td>-</td>
<td>3,220,192</td>
<td>1.22%</td>
</tr>
<tr>
<td>Benefits</td>
<td>17,447,881</td>
<td>2,695,640</td>
<td>-</td>
<td>2,357,957</td>
<td>3,202,944</td>
<td>2,474,661</td>
<td>-</td>
<td>28,179,084</td>
<td>10.67%</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>-</td>
<td>-</td>
<td>77,532,853</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>77,532,853</td>
<td>29.36%</td>
<td></td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>10,501,349</td>
<td>-</td>
<td>-</td>
<td>2,562,660</td>
<td>5,859,911</td>
<td>4,662,410</td>
<td>-</td>
<td>26,174,837</td>
<td>9.91%</td>
</tr>
<tr>
<td>Travel</td>
<td>2,056,959</td>
<td>270,953</td>
<td>-</td>
<td>2,262,320</td>
<td>50,300</td>
<td>448,496</td>
<td>-</td>
<td>5,089,028</td>
<td>1.70%</td>
</tr>
<tr>
<td>Utilities</td>
<td>7,644</td>
<td>-</td>
<td>-</td>
<td>281,541</td>
<td>4,212,371</td>
<td>-</td>
<td>-</td>
<td>4,501,556</td>
<td>1.70%</td>
</tr>
<tr>
<td>Capital</td>
<td>2,891,987</td>
<td>36,531</td>
<td>-</td>
<td>261,490</td>
<td>758,115</td>
<td>112,859</td>
<td>-</td>
<td>4,060,982</td>
<td>1.54%</td>
</tr>
<tr>
<td>Debt Service (Principal &amp; Interest)</td>
<td>-</td>
<td>1,565,000</td>
<td>380,814</td>
<td>-</td>
<td>10,460,725</td>
<td>-</td>
<td>12,406,539</td>
<td>4.70%</td>
<td></td>
</tr>
<tr>
<td>Facility Renewal &amp; Replacement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,278,750</td>
<td>-</td>
<td>2,278,750</td>
<td>0.86%</td>
<td></td>
</tr>
<tr>
<td>Technology Renewal &amp; Replacement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>687,637</td>
<td>-</td>
<td>687,637</td>
<td>0.26%</td>
<td></td>
</tr>
<tr>
<td>Reserve-Underwater Endowment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>400,000</td>
<td>-</td>
<td>400,000</td>
<td>0.15%</td>
</tr>
<tr>
<td>Internal Debt</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>812,460</td>
<td>812,460</td>
<td>-</td>
<td>1,624,920</td>
<td>0.61%</td>
</tr>
<tr>
<td>Contingency</td>
<td>1,490,991</td>
<td>139,482</td>
<td>-</td>
<td>88,928</td>
<td>159,454</td>
<td>885,896</td>
<td>-</td>
<td>2,764,751</td>
<td>1.05%</td>
</tr>
<tr>
<td>Cost of Goods Sold (Dining)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,151,073</td>
<td>8,151,073</td>
<td>-</td>
<td>8,151,073</td>
<td>0.30%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$89,745,183</td>
<td>$16,508,202</td>
<td>$78,362,178</td>
<td>$15,791,438</td>
<td>$27,416,583</td>
<td>$28,120,594</td>
<td>$8,151,073</td>
<td>$264,095,252</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Percentage of Total Budget</strong></td>
<td>33.98%</td>
<td>6.25%</td>
<td>29.67%</td>
<td>5.98%</td>
<td>10.38%</td>
<td>10.65%</td>
<td>3.09%</td>
<td>100.00%</td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
1. Academic Vice President total less School of Law Financial Aid
2. Student Development, Student Financial Services, Admissions, University Mission, and the Hemmingson Center & Auxiliary Services
3. Financial Aid included from all areas including the Law School and Athletic grants-in-aid
4. Athletics and Fitness Center less Athletic grants-in-aid
5. Executive Vice President less Student Financial Services, Admissions, Human Resources, and Financial Aid
6. Office of the President, Finance, University Advancement, Corporation Counsel, University Chancellor, and Human Resources
<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2015 Adjusted Base Budget</th>
<th>Proposed Changes</th>
<th>Base Reductions</th>
<th>FY 2016 Proposed Budget</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty Salaries</td>
<td>$ 39,030,999</td>
<td>$ 1,441,481</td>
<td>($215,166)</td>
<td>$ 40,257,314</td>
<td>0.48%</td>
</tr>
<tr>
<td>Non-Faculty Salaries</td>
<td>47,077,521</td>
<td>805,160</td>
<td>(304,485)</td>
<td>47,578,196</td>
<td>0.19%</td>
</tr>
<tr>
<td>Student Wages &amp; Honoraria</td>
<td>2,843,196</td>
<td>387,778</td>
<td>(10,782)</td>
<td>3,220,192</td>
<td>0.15%</td>
</tr>
<tr>
<td>Benefits</td>
<td>27,548,106</td>
<td>742,052</td>
<td>(111,074)</td>
<td>28,179,084</td>
<td>0.25%</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>74,337,902</td>
<td>3,194,951</td>
<td>-</td>
<td>77,532,853</td>
<td>1.24%</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>25,364,046</td>
<td>1,290,309</td>
<td>(479,518)</td>
<td>26,174,837</td>
<td>0.31%</td>
</tr>
<tr>
<td>Travel</td>
<td>5,087,619</td>
<td>120,238</td>
<td>(118,829)</td>
<td>4,060,982</td>
<td>0.00%</td>
</tr>
<tr>
<td>Utilities</td>
<td>4,518,571</td>
<td>110,826</td>
<td>(127,841)</td>
<td>4,501,556</td>
<td>-0.01%</td>
</tr>
<tr>
<td>Capital</td>
<td>4,064,572</td>
<td>62,118</td>
<td>(65,708)</td>
<td>3,982,546</td>
<td>0.00%</td>
</tr>
<tr>
<td>Debt Service (Principal &amp; Interest)</td>
<td>11,964,539</td>
<td>515,000</td>
<td>(73,000)</td>
<td>12,406,539</td>
<td>0.17%</td>
</tr>
<tr>
<td>Facility Renewal &amp; Replacement</td>
<td>2,038,750</td>
<td>240,000</td>
<td>-</td>
<td>2,278,750</td>
<td>0.09%</td>
</tr>
<tr>
<td>Technology Renewal &amp; Replacement</td>
<td>687,637</td>
<td>-</td>
<td>-</td>
<td>687,637</td>
<td>0.00%</td>
</tr>
<tr>
<td>Reserve-Underwater Endowment</td>
<td>500,000</td>
<td>(100,000)</td>
<td>-</td>
<td>400,000</td>
<td>-0.04%</td>
</tr>
<tr>
<td>Internal Debt</td>
<td>812,460</td>
<td>-</td>
<td>-</td>
<td>812,460</td>
<td>0.00%</td>
</tr>
<tr>
<td>Contingency</td>
<td>2,811,738</td>
<td>(4,767)</td>
<td>(42,220)</td>
<td>2,764,751</td>
<td>-0.02%</td>
</tr>
<tr>
<td>Cost of Goods Sold (Dining)</td>
<td>8,758,212</td>
<td>3,194,951</td>
<td>-</td>
<td>8,151,073</td>
<td>-0.24%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 257,445,868</strong></td>
<td><strong>$ 18,908,007</strong></td>
<td>($1,548,623)</td>
<td><strong>$ 264,095,252</strong></td>
<td><strong>2.58%</strong></td>
</tr>
</tbody>
</table>

GONZAGA UNIVERSITY
FY2015-16 PROPOSED UNRESTRICTED OPERATING BUDGET
TOTAL UNRESTRICTED EXPENDITURES SUMMARY

- Overall, the proposed 2.58% or $6.6M increase in the expense base is allocated as follows: salaries and benefits (41.5%); institutional financial aid (48.8%); operating expenses (17.5%) which includes other operating, travel, utilities, capital, and external debt service; travel & replacement, reserves, and contingency (1.4%); and Cost of Goods Sold (-9.3%).
- Faculty Salaries, net of adjustments, increase 3.14% or $123M. The increase includes a 1.5% faculty salary pool of $618K, which includes CUPA and other survey adjustments, promotions, and changes to the sabbatical and adjunct pools, critical needs base funding of $883K, offset by a $271K reduction of adjunct and fixed term faculty positions. The FY2014-15 actual increase was 2.1% or $823K.
- Non-Faculty Salaries, net of adjustments increase 1.06% or $501K. The increase includes a 1.5% staff salary pool of $761K for across-the-board increases, promotions, and annualizations, $115K of base funded critical needs funding, offset by base reductions of $375K. The FY2014-15 actual increase was 3.2% or $1.7M.
- Student Wages & Honoraria increase 13.26% or $377K, of which $329K is attributed to student labor for the Hemmingston Center, $46K is attributed to minimum wage and graduate assistant increases, and $2K is due to reallocations.
- Renewal & Replacement base funding increases 11.9% or $240K. This reflects a multi-year and multi-source approach for implementing Sightsline facility stewardship recommendations including using excess net revenue at fiscal year end.
- Reserve-Underwater Endowment and Contingency decrease by 4.4% or $147K. The underwater endowment reserve was reduced by $100K, which was informed by strong pooled endowment investment performance over the past several years that has substantially reduced the risk of underwater endowments. University-wide contingencies decreased $47K primarily due to base reductions.
- The proposed FY15-16 institutional target for base reductions was $1.5M, which was exceeded by $49K.

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2015</th>
<th>Proposed</th>
<th>Base Reductions</th>
<th>FY 2016</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>$ 40,257,314</td>
<td>$ 1,441,481</td>
<td>($215,166)</td>
<td>$ 40,257,314</td>
<td>0.48%</td>
</tr>
<tr>
<td>Development</td>
<td>$ 11,964,539</td>
<td>$ 515,000</td>
<td>(73,000)</td>
<td>$ 12,406,539</td>
<td>0.17%</td>
</tr>
<tr>
<td>Executive Vice President</td>
<td>$ 14,517,506</td>
<td>$ 210,000</td>
<td>(30,000)</td>
<td>$ 14,727,506</td>
<td>0.19%</td>
</tr>
<tr>
<td>University Advancement</td>
<td>$ 8,758,212</td>
<td>3,194,951</td>
<td>-</td>
<td>8,151,073</td>
<td>-0.24%</td>
</tr>
<tr>
<td>Finance</td>
<td>$ 1,490,991</td>
<td>89,983</td>
<td>-</td>
<td>1,580,974</td>
<td>0.15%</td>
</tr>
<tr>
<td>Office of the President</td>
<td>$ 40,257,314</td>
<td>$ 1,441,481</td>
<td>($215,166)</td>
<td>$ 40,257,314</td>
<td>0.48%</td>
</tr>
<tr>
<td>Mission</td>
<td>$ 11,964,539</td>
<td>$ 515,000</td>
<td>(73,000)</td>
<td>$ 12,406,539</td>
<td>0.17%</td>
</tr>
<tr>
<td>Other</td>
<td>$ 14,517,506</td>
<td>$ 210,000</td>
<td>(30,000)</td>
<td>$ 14,727,506</td>
<td>0.19%</td>
</tr>
<tr>
<td>Total</td>
<td>$ 8,758,212</td>
<td>3,194,951</td>
<td>-</td>
<td>8,151,073</td>
<td>-0.24%</td>
</tr>
</tbody>
</table>

* Other consists of Corporate Counsel and University Chancellor

Total FY2016 Budget $ 79,180,445 $ 6,393,847 $ 19,096,862 $ 134,157,077 $ 6,168,652 $ 16,104,033 $ 1,613,067 $ 782,109 $ 595,160 $ 264,095,252 100.00%
FY2015 Base $ 76,562,851 $ 6,274,602 $ 18,759,235 $ 130,616,278 $ 6,199,083 $ 16,033,053 $ 1,636,441 $ 773,305 $ 591,020 $ 257,445,686
Change From FY2015 Base $ 2,617,594 $ 119,245 $ 337,627 $ 3,540,799 $ (30,431) $ 70,980 $ (23,374) $ 8,804 $ 8,140 $ 6,640,584
Percentage Change From FY2015 3.42% 1.90% 1.80% 2.71% -0.49% 0.44% -1.43% 1.14% 1.38% 2.58%
## GONZAGA UNIVERSITY
### FY2015-16 PROPOSED UNRESTRICTED OPERATING BUDGET
### SELECTED BUDGET ASSUMPTIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman Fall Enrollment</td>
<td>1,130</td>
<td>1,048</td>
<td>1,125</td>
<td>1,150</td>
</tr>
<tr>
<td>Transfer Fall Enrollment</td>
<td>130</td>
<td>134</td>
<td>135</td>
<td>Greater than 135</td>
</tr>
<tr>
<td>Freshman Tuition Discount Rate</td>
<td>43.0%</td>
<td>44.3%</td>
<td>45.0%</td>
<td>At budget</td>
</tr>
<tr>
<td>Undergraduate Fall Headcount</td>
<td>4,544</td>
<td>4,552</td>
<td>4,464</td>
<td>Greater than budget</td>
</tr>
<tr>
<td>Freshman to Sophomore Retention Rate</td>
<td>91.0%</td>
<td>92.5%</td>
<td>91.0%</td>
<td>Greater than budget</td>
</tr>
<tr>
<td>Undergraduate Fall to Spring Retention Rate</td>
<td>96.0%</td>
<td>95.39%</td>
<td>96.0%</td>
<td>At budget</td>
</tr>
<tr>
<td>Net Tuition Revenue per Student</td>
<td>$21,198</td>
<td>$21,238</td>
<td>$21,825</td>
<td>$21,500 - $22,500</td>
</tr>
<tr>
<td>Graduate Credit Hours *</td>
<td>27,030</td>
<td>27,080</td>
<td>27,639</td>
<td>At budget</td>
</tr>
<tr>
<td>Law 1L Fall Headcount **</td>
<td>120</td>
<td>128</td>
<td>120</td>
<td>At budget</td>
</tr>
<tr>
<td>Law Fall Headcount</td>
<td>330</td>
<td>339</td>
<td>323</td>
<td>At budget</td>
</tr>
</tbody>
</table>

The assumptions above represent the more significant revenue assumptions within the operating budget that are subject to variability based upon economic conditions and other external factors.

*Refer to Appendix 2B for a summary of graduate credit hours by school/program

**The 1L budget of 120 is comprised of 105 students in the three-year program and 15 students in the two-year program