

## Description of the 7-year Forecast Description

The 7-year forecast began as a 3-year forecast and subsequently was expanded to 5 and then to 7 years. It was an attempt to forecast the impact of a combination of reduced tuition rate increases, increased institutional financial aid support (discount rate), expected increases in most categories of expenses, and the need to fully fund the deferred and long term renewal of campus facilities and equipment.

The forecast takes the most recent annual budget, forecast, or revised forecast (depending on the time of year the 7-year forecast is updated), and applies expected annual changes to each category of revenues and expenditures. The most significant categories include:

### Revenues:

- Tuition & fees
- Institutional financial aid
- Unrestricted gifts and grants
- Room and board
- Other auxiliary services (primarily conference services)
- Other revenues

### Expenditures:

- Salaries & wages
- Employee benefits
- Utilities
- Insurance
- Food service
- Leases (buildings and equipment)
- Debt service
- Equipment
- Construction/ renovation
- Reserves
- Other expenditures