

BOARD OF TRUSTEES
UNIVERSITY OF THE DISTRICT OF COLUMBIA
UDC RESOLUTION NO. 2025 - 01

**SUBJECT: APPROVAL OF A PROPOSED FY2025 OPERATING BUDGET
AMENDMENT #2**

WHEREAS, pursuant to D.C. Code §38-1202.06(4), the Board of Trustees (“Board”) of the University of the District of Columbia (“University”) is “required to prepare and submit to the Mayor an annual budget request for each fiscal year”; and

WHEREAS, pursuant to 8B DCMR §400.2, the President of the University shall prepare an operating budget for Educational and General activities of the University, and an operating budget for Auxiliary Enterprise operations of the University; and

WHEREAS, pursuant to 8B DCMR §400.1, the Board shall approve all budgets for expenditures of the institutions of the University and, pursuant to 8B DCMR §400.4, any expansion in operations that would necessitate any substantial change in the approved budget shall be submitted to the Board for its approval; and

WHEREAS, the Mayor issued a directive that the University must submit a mid-year reduction to its FY2025 appropriation from the District in the amount of Two Million Forty-Three Thousand Forty-Nine Dollars and No Cents (\$2,043,049), requiring a reduction of this amount in the University’s FY2025 operating budget; and

WHEREAS, the proposed FY2025 Operating Budget Amendment #2 is reflective of the projected revenues, consistent with the prudent fiscal and accounting practices, and is in line with the President’s and the Board’s vision for the University.

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees hereby approves the proposed Operating Budget request, as amended to incorporate the Operating Budget Amendment Request #2 attached hereto as **Exhibit A**.

Submitted by the Audit, Budget & Finance Committee: February 13, 2025

Approved by the Board of Trustees: February 25, 2025



Christopher D. Bell
Chairperson of the Board

Exhibit A

FY2025 Operating Budget Amendment #2

MEMORANDUM

TO: Board of Trustees – Audit, Budget, and Finance Committee

FROM: David Franklin, Chief Operating Officer

DATE: February 13, 2025

SUBJECT: FY2025 Budget Amendment #2

FY2025 BUDGET AMENDMENT 2

The University of the District of Columbia Administration presents its FY2025 Budget Amendment #2 request for Board of Trustees approval.

The FY2025 Budget Amendment #2 reflects a decrease in the University’s unrestricted budget. Details of the adjustments – as compared to the original submission of the FY2025 budget request in October 2023 – are shown below in **Figure 1**.

Figure 1

FY25 Unrestricted Revenue				
<i>Revenue Sources</i>	<i>FY25 BOT Approved Budget October 2023</i>	<i>FY25 Budget - Amendment #1 September 2024</i>	<i>FY25 Budget - Amendment #2 February 2025</i>	<i>FY25 Proposed Amended Budget</i>
Local Appropriated Subsidy	97,078,938	5,073,524	(2,043,049)	100,109,413
Tuition	23,000,000			23,000,000
Postsecondary	10,212,550	400,000		10,612,550
Fund Balance	10,000,000			10,000,000
Spendable Endowment	3,500,000			3,500,000
Indirect Cost	1,500,000			1,500,000
Total Unrestricted Revenue	145,291,488	5,473,524	(2,043,049)	148,721,963

FY25 Restricted Revenue				
<i>Revenue Sources</i>	<i>FY25 BOT Approved Budget October 2023</i>	<i>FY25 Budget - Amendment #1 September 2024</i>	<i>FY25 Budget - Amendment #2 February 2025</i>	<i>FY25 Proposed Amended Budget</i>
DC Agencies	6,750,000			6,750,000
Federal Grants	53,000,000	2,800,000		55,800,000
Federal Payments	0	10,000,000		10,000,000
Private Grants	1,000,000			1,000,000
Restricted Endowment	53,825			53,825
Total Restricted Revenue	60,803,825	12,800,000		73,603,825
Total Unrestricted & Restricted Revenue				
	206,095,313	18,273,524	(2,043,049)	222,325,788

FY2025 Budget Decrease Summary

In total, Budget Amendment #2 includes a net decrease of (\$2,043,049) to the University’s operating budget, decreasing the University’s total operating budget from \$224.4 million to \$222.3 million.

FY2025 Unrestricted Budget Decrease Summary

Budget Amendment #2 includes one modification to the unrestricted budget:

- Local Appropriated Subsidy operating budget adjustment
 - Per the Mayor’s requirement as part of the FY2026 budget development cycle, the University was required to submit a plan reducing its FY2025 budget at mid-year by (\$2,043,049).

In total, the FY2025 unrestricted budget modifications total (\$2,043,049), decreasing the unrestricted budget from \$150.8 million to \$148.7 million.

Fiscal Impact Statement

TO: Board of Trustees

FROM: Managing Director of Finance *David A. Franklin*

DATE: February 13, 2025

SUBJECT: FY2025 Operating Budget Amendment #2

Conclusion

The fiscal impact of the FY2025 Operating Budget Amendment #2 is a net decrease of (\$2,043,049) to the University's unrestricted operating budget.

Background

Per the Mayor, the University was required to provide a mid-year reduction to its FY2025 budget in the amount of (\$2,043,049). This requirement was shared during the FY2026 budget development cycle.

In total, these modifications reflect a net decrease of (\$2,043,049), decreasing the University's total operating budget from \$224.4 million to \$222.3 million.

Financial Impact

While the University has made every effort to ensure that this reduction would not impact core operations, it does present a financial challenge to the institution. The University has sought to mitigate the effects of this challenge by seeking operational efficiencies, delaying expenditures, and turning to alternative funding sources (such as its federal Title III grants), where permissible, to support strategic priorities.