

Notes to Financial Report
Actual Expenditures as of June 30, 2011

The following information is designed to assist readers in understanding the accompanying financial report for the University Of Kansas School Of Business (“School”).

SOURCES

The majority of the funds available to the School are provided by the University of Kansas through its allocation of “general fees” and “business course fees” (also referred to as differential tuition). These course fees are paid by all KU students who choose to enroll in business courses. The School’s use of business course fees is guided by the “University of Kansas School of Business Differential Tuition Proposal” approved by the Kansas Board of Regents in June 2004.

Information related to the School’s use of these course fees, as well as a copy of the original proposal, is available at <http://www.business.ku.edu/undergrad/prospective/tuition/> under the heading of “Prior Year Information.”

The School also is allocated funds from the Johnson County Education and Research Triangle (JCERT). These funds underwrite the faculty costs for the School’s Bachelors of Business Administration program offered exclusively at KU’s Edwards Campus located in Overland Park, KS.

USES

Academic Areas

Expenses included in this category are those incurred by the School’s four primary academic units – Accounting and Information Systems; Finance, Economics and Decision Sciences; Marketing, Entrepreneurship and Law; and Management.

“Faculty Salaries” include the salary expenses for the School’s tenured and tenure-track faculty, and all adjunct faculty/lecturers. The amounts shown on this line item do not include fringe benefit costs, which are reported separately for the entire School on this report.

In FY 2011, business course fees were used to fund all, or a portion of, the salaries for 26 faculty members and 4 staff members included in this line item. In addition, business course fees were used to pay salaries for a number of adjunct faculty hired to teach selected courses during the 2011 academic year.

“Student Hourly” reflects the amount paid to 234 students and funded by business course fees.

“Graduate Teaching & Research Assts” are salaries paid to the School’s Ph.D. students who have instructional responsibilities as a part of their doctoral studies. In FY 2011, the School had 33 Ph.D. students.

“Faculty Support and Development” includes faculty travel, instructional supplies, memberships, and submission fees for paper presentations, technology upgrades, and office equipment.

“Operating Expenses for Academics” includes supplies, technology and office equipment.

Student Services & Activities

This category includes expenses incurred by the School's student advising services, careers services center, scholarships, and a variety of student-focused activities for undergraduates and graduates, such as the MBA Treks, Jayhawks on Wall Street, support for the Masters of Accounting program, graduation recognition ceremonies. This category also includes financial support provided to the Undergraduate Business Council and the Graduate Business Council.

"Staff Salaries" include the salary expenses for academic (undergraduate, graduate and Ph.D.) and career services advisors and other staff in these advising centers, the Institute for International Business and the Multicultural Business Scholars program. In FY 2011, business course fees were used to fund the salaries of 11 staff members including in this line item.

"Scholarships" include undergraduate and graduate scholarships awarded from all areas and units. In FY 2011, business course fees were used to award scholarships to 86 graduate students and 119 undergraduate students. This line item includes student abroad scholarships totaling \$143,500 and \$65,736 in scholarships provided to graduate business students.

"International and Multicultural Programs" reflects operating costs for the Institute for International Business and faculty support to lead international trips.

"Graduate Programs" and "Undergraduate Programs" includes costs for student recruiting, student trips, staff travel and professional development, career resources, technology, and equipment.

School Administration

This category includes expenses incurred for the Dean's Office and the School's financial unit, communications, technology services and support, special events, and alumni relations. The administrative functions performed through the offices in this category support and facilitate the activities of the entire School and its students, faculty and staff.

"Staff salaries" includes the salary expenses for the School's deans, communications staff, IT staff, events coordinator and financial unit staff. In FY 2011, business course fees were used to fund the salaries of eight staff members included in this line item.

"Operating Expenditures" includes costs for telephone, office equipment rental, promotional activities, staff travel, office supplies, professional services, and postage.

Fringe Benefits

This line item represents the costs of all fringe benefits provided to the School's faculty, staff and student employees.