SCHOOL OF VETERINARY MEDICINE

I. Small Animal Hospital

A. Construction Program

(1) Estimated total project cost: $13.3 million
   -- Commonwealth Loan $8,035,000
   -- University Funds $5,300,000

(2) Construction Schedule: 27 months
   Begin: June 1977
   Complete: September 1979

B. Capital Requirements

(1) Estimated University requirement: $5,300,000

(2) University Development Campaign: Small Animal Hospital
   Prospects:
   (a) Cash in Hand/Earmarked Gifts $1,248,000
   (b) Solicitations within next 6 mo. 4,420,000
   (c) Solicitations within next 6-15 mo. 1,200,000
   (d) Under current cultivation: solicitation late 1977, 1978 3,550,000

(3) Federal Health Manpower Construction Funds

II. Projected Results of Operations

A. $1.7 million additional Commonwealth appropriation for FY 1977.

B. With new Commonwealth appropriation, projection of operating results through FY '79 suggest no operating deficit likely.

C. Contracted students: $500,000 income this year, close to $1,000,000 by FY '79 when all four classes have contracted students.

D. Operating results beyond opening of Small Animal Hospital:

(1) Additional annual costs due to facility debt service and increased O & M, estimated at $750,000. Impact on operating budget of school is partially dependent upon repayment terms of Commonwealth loan; seeking maximum loan repayment period possible.

(2) Ability to increase Commonwealth appropriation and/or obtain loan forgiveness.

(3) University bank transactions, i.e. rate of repayment of previous School deficits advances.

9/28/76

SECRETARY
1. Forecast deficit, June 1976 ($1,026,000)
2. Additional Commonwealth Appropriation, July 1976 $1,700,000
3. "Surplus" after Commonwealth Appropriation $674,000
4. Budget Adjustments
   + $6 additional contract students - $48,000
   + $104,000 reduction in Univ. subvention
   + $56,000 - additional reduction in Federal capitation
   + $63,000 - additional expenses identified when detailed budgets prepared
   + $49,000 - Leon Weiss salary relieved from Redevelopment Fund
   Net "Surplus" $360,000
5. Approved expense increments based on urgent needs of School ($48,000 from additional contract revenue) $80,000
6. Funds held against future budget contingencies, availability subject to quarterly budget review by Dr. Langfitt, Dr. Strauss, Dean Marshak $280,000