

# Financial Statement

## 2002-2003 Budget

Total expenditures of the Open University for the 2002-2003 academic year in current values was NIS 324.3m, as opposed to the actual budget of NIS 332.6m.

Financing sources (in thousands of shekels) are presented below:

### Grants

PBC,* including participation in tax rebates	72,541
Donations	1,089

### Current revenues

Tuition and participation in development and administration of courses	236,941
Sale of books	3,802
Permanent fund earnings	419
Other income	14,572
<b>Total Revenues</b>	<b>329,364</b>
Current excess	4,997
Transfers to funds	4,944
Current excess	53

## 2003-2004 Budget

The approved budget, academic and extra-academic, for the 2003-2004 academic year, determined after discussions with the PBC\* was NIS 341.55m. In accordance with this budget, expected revenues were as follows (in thousands of shekels):

	Budget	Projected Actual
PBC,* including participation in tax rebates	67,078	64,706
Tuition and participation in development and activation of courses	252,924	237,598
Sale of books	4,000	3,800
Permanent fund	443	443
Donations	250	250
Other income	16,860	22,490
<b>Total Revenues</b>	<b>341,555</b>	<b>329,287</b>

In fact, this year ended with no deficit after a deep cut in expenditures, in spite of a decrease in revenues both from the PBC and from tuition.

## 2004-2005 Budget

The proposed budget for the 2004-2005 academic year, as submitted to the PBC\*, stands at NIS 331.1m (in thousands of shekels):

Academic budget	298,139
Extra-academic budget (see detail below)	28,995
Other budgets	5,969
<b>Total</b>	<b>331,103</b>

Projected revenues, as they appeared in the proposed budget, are as follows (in thousands of shekels):

### Grants

PBC,* including participation in tax rebates	63,120
Compensation for decreasing tuition and others	27,365
Participation in aid to learning disabled students	486
Donations	250

### Current revenues

Independent sources	4,310
Tuition and participation in development and activation of courses	187,135
Extra-academic tuition <sup>(1)</sup>	28,995
Closed budget	4,930
Sale of books	3,800
Permanent fund	423
Other income	6,320
Other budgets <sup>(2)</sup>	5,969
<b>Total Revenues</b>	<b>331,103</b>

(1) The proposed budget for the Extra-Academic Studies Center for the 2004-2005 academic year (in thousands of shekels):

Center for Management, Languages and Computers	18,980
<i>Ascolot</i>	7,015
<i>Hasifa</i>	3,000
<b>Total</b>	<b>28,995</b>

\* Planning and Budgeting Committee (*Vatat*).

(2) Other proposed budgets for the 2004-2005 academic year (in thousands of shekels):

Beit Daniel	2,150
Project Russia	3,304
Research Center	515
<b>Total</b>	<b>5,969</b>

### New Budget Structure Stemming from Work Plans

Over the past year improvements were made in work processes and in the computerized systems which support them. These were intended to improve the organizational process for planning work programs and the budget. This process involves independent efforts on the part of all departments on one hand, and cooperation among all departments, on the other. This is a complex but indispensable process, all the more so in this period of major economic change, which demands accurate and detailed planning of the university's activities.

Our aims were to improve the process for planning work programs and for preparing the budget to conform to the academic and administrative activities of the University, while cutting down on the time needed to prepare the budget. For this purpose, each clause in the budget was unequivocally ascribed to a specific body (each body, such as the library or the computer center, was assigned a list of budget items for which that body was responsible on the whole-university level) and a budget framework was determined for each body with the aim of simplifying planning and giving each department head as much freedom of action as possible.

In addition, an in-depth assessment process was carried out, leading to changes and improvements in the computerized system. Administrative work was carried out in order to determine expected revenues stemming from the proposed activities, segmenting the revenues into clear and precise categories, and work began to match the internal budgetary reports to those submitted to the PBC.

