## FY19 Budget Cycle

### Campus FY19 Budget Development

*Initial Conversations*

<table>
<thead>
<tr>
<th>Jul</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Enrollment update</td>
<td></td>
<td></td>
<td>1st iteration of FY19 budgets updated into Maine-Street by 01/12/18</td>
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<tr>
<td></td>
<td></td>
<td>Review of allocations &amp; assumptions</td>
<td></td>
<td></td>
<td>1st iteration of FY19 budgets updated into Maine-Street by 01/12/18</td>
</tr>
</tbody>
</table>

### Key
- FF&T = Finance, Facilities & Technology
- BOT = Board of Trustees

### 2017

<table>
<thead>
<tr>
<th>Campus Budget Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 14th</td>
</tr>
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</table>

### 2018

<table>
<thead>
<tr>
<th>Initial budget review by members of FF&amp;T</th>
</tr>
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<tbody>
<tr>
<td>February TBD</td>
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</table>

<table>
<thead>
<tr>
<th>Budget reviewed by FF&amp;T of BOT</th>
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<tbody>
<tr>
<td>May TBD</td>
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<table>
<thead>
<tr>
<th>Final budget approved by BOT TBD</th>
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**TBD**

**Notes:**
- Enrollments are updated in December.
- Review of allocations and assumptions is conducted in February.
- Final budget approval is scheduled for May.
FY18 E&G Revenue & Expense Base

**Revenue**

- Tuition & Fee Revenue (Net of $262,300 waivers) $4,577,037
- State Appropriation 5,252,559
- Sales & Services/Other 251,780
- Indirect Cost Recovery 60,000

Total Revenue: $10,141,376

**Expense**

- Compensation & Benefits $5,801,316
- Shared Services 1,242,149
- Scholarships & Grants 1,205,893
- Fuels, Electricity and Other Utilities 366,750
- Outside Services 314,434
- All other (Net of credits) 308,799
- Travel 225,875
- Supplies & Services 184,426
- Debt Service Principal & Interest 172,008
- Insurance & Bad Debt 133,831
- Maintenance & Alterations 113,628
- Library Acquisitions 72,267

Total Expense: $10,141,376
FY18 Auxiliaries Revenue & Expense Base

**Revenue**

- Dining & Residence Revenue: $1,871,238
- Residence Waivers: (102,000)
- Other Auxiliary Revenue: 80,219

**Total Revenue:** $1,849,457

**Expense**

- Compensation & Benefits: $263,942
- Outside Services: 795,942
- Debt Service Principal & Interest: 294,101
- Fuels, Electricity and Other Utilities: 253,000
- Maintenance & Alterations: 124,500
- All other (Net of credits): 62,350
- Supplies & Services: 23,000
- Capital Equipment & Transfers to Plant: 18,981
- Insurance & Bad Debt: 11,541
- Travel: 2,100

**Total Expense:** $1,849,457
High School Graduate Trends

20-year Projections from School Year 2011-2012 through 2031-2032

- **West**: 4.7%
- **Midwest**: 12.1%
- **Northeast**: 12.2%
- **South**: 4.1%
- **United States Total**: 4.5%

Source: Western Interstate Commission for Higher Education (WICHE)
Projected High School Graduate Decline 2016-2032 (-16%)

Source: Western Interstate Commission for Higher Education (WICHE)
Actual & Projected Credit Hours

Actual Credit Hours at Census

- **2014**: 16,980
  - Spring: 12,806
  - Fall: 4,174
  - Summer: 1,000
- **2015**: 16,125
  - Spring: 12,806
  - Fall: 3,319
  - Summer: 100
- **2016**: 15,192
  - Spring: 12,192
  - Fall: 2,900
  - Summer: 100
- **2017**: 15,074
  - Spring: 12,074
  - Fall: 2,900
  - Summer: 100
- **2018**: 13,806
  - Spring: 11,806
  - Fall: 2,000
  - Summer: 0

The bar chart shows the actual credit hours at census from 2014 to 2018, with separate bars for Spring, Fall, and Summer seasons.
Tuition Rate Structure

PER CREDIT HOUR RATES

<table>
<thead>
<tr>
<th></th>
<th>In-State</th>
<th>Out-of-State</th>
<th>NEBHE</th>
<th>Canadian</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2018 Current</td>
<td>$228</td>
<td>$616</td>
<td>$365</td>
<td>$372</td>
</tr>
<tr>
<td>FY2019 Proposed</td>
<td>$233</td>
<td>$475</td>
<td>$373</td>
<td>$373</td>
</tr>
</tbody>
</table>
FY19 Budget Levers

**Non-Discretionary**

- **Tuition & Fees**: +$73,912
  - In-State & Out-of-State Adjustments
  - State Mandated Waivers
- **State Appropriation**: -$52,184
- **Compensation**: -$145K
  - Salary & Wage Negotiated Increases
  - Employee Salary & Wage Benefits
- **Operational Increases**: +$7,532
  - Facility Insurances
  - University Shared Services
  - Required Increase in Capital Funding

**Strategic**

- **Tuition & Fees**: -$12,738
  - Enrollment Adjustments
  - Scholarship Adjustments
- **Investments**: -$180K
  - Facilities & Utilities -$80K
  - Strategic Initiatives (enrollment, retention, student success) -$100K
FY19 Budget Summary

Net Incremental Revenue: $21,728
Net Incremental Expense: ($137,468)

Revenue Increases/Decreases: ($12,738)
Total Incremental Strategic Expense: ($180K)

Non-Discretionary Parameters Gap: ($115,740)
Strategic Surplus: ($192,738)
Total Non-Discretionary and Strategic Campus Gap: ($308,478)
What’s the plan?

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Projected FY2019 Gap:</td>
<td>($308,478)</td>
</tr>
<tr>
<td>Correct Budget for Shared Services</td>
<td>72,771</td>
</tr>
<tr>
<td>Eliminate Strategic Base Position Vacancies</td>
<td>143,628</td>
</tr>
<tr>
<td>Eliminate Unused Tem/Student Wages</td>
<td>45,000</td>
</tr>
<tr>
<td><strong>Remaining Gap</strong></td>
<td><strong>($47,409)</strong></td>
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Questions?
Shared Services Allocation

Institutional Support
(HR, IT, Procurement, Finance, Governance, Counsel, etc.) $581,057

Student Services
(application processing, admissions, etc.) 29,292

Academic Support
(primarily IT) 349,671

Facilities
(Safety & Environmental Mgmt, Capital Planning, etc.) 222,420

$1,182,440 *

*2.6% of the total FY19 $45.4M cost