5-25-2017

FY18 E&G Budget Discussion

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FY2018 E&G Budget Discussion

Jeffrey E. Hecker
Executive VP for Academic Affairs & Provost

Susan J. Hunter
President

May 25, 2017
UMaine Fiscal Year 2018
(July 1, 2017 through June 30, 2018)

2016
July     Aug     Sept     Oct     Nov     Dec
Campus FY18 Budget Development
Initial Conversations

2017
Jan      Feb      Mar      Apr      May      Jun
1st iteration of FY18 budgets updated into MaineStreet by 01/15/17
Initial campus budget review by members of FF&T
UMaine budget reviewed by FF&T of BOT
BOT final budget approved 5/22/17

November 15th Campus Budget Discussion
January 25th Campus Budget Discussion
May 25 Campus Budget Discussion

Key
FF&T = Finance, Facilities & Technology
BOT = Board of Trustees
Board of Trustees Priority Outcomes

Our Focus for the Next 5 Years

• Increase Enrollment
• Improve Student Success & Completion
• Enhance the Fiscal Positioning of UMS
• Support Maine Through Research & Economic Development

Secondary Outcomes:
• Relevant Academic Programming
• Workforce Engagement
First Year Enrollment Goal

Fall 2017

2,300 first year students on October 15, 2017 (census)

Fall 2016 first year students = 2,230

- largest in UMaine’s history
- previous record – 2,166 fall 2013

Challenges

Partnering with other UMS campuses to deliver the student Foundations Program

Capping enrollment in popular majors

- Bioengineering
- Mechanical Engineering
- Construction Engineering Technology
- Mechanical Engineering Technology
- Nursing
FY18 Confirmations & Melt

Fall 2017 First Year Confirmations as of 5.12.17

- In-State: 2,555 (1,265 in-state, 1,290 out-state)
  - 11% Melt (same as 2016)

- Out-of-State: 1,171 (978 in-state, 1,133 out-state)
  - 9% Melt

- NEBHE, Canadian: 119 (116 in-state, 115 out-state)
  - 7% Melt

Projected Oct. 15 Census:
- In-State: 2,277 (1,183 in-state, 1,094 out-state)
- Out-of-State: 2,324 (1,202 in-state, 1,122 out-state)
- NEBHE, Canadian: 2,371 (1,214 in-state, 1,157 out-state)
E&G Revenue & Expense

FY17

Revenue

- Tuition & Fees (Net of $3.0M waivers): $144.1M (56.9%)
- Unrestricted State Appropriation: $82.5M (32.6%)
- Sales/Transfers/other: $18.4M (7.2%)
- Indirect Costs: $8.4M (3.3%)

Total Revenue: $253.4M

Expenditures

- Compensation & Benefits: $151.6M (59.8%)
- Institutional Aid: $42.6M (16.8%)
- All Other: $59.2M (23.4%)

Total Expenditures: $253.4M

Expense Categories:
- 4.0% Fuel & Electricity: $10.1M
- 2.4% Capital: $6.2M
- 2.4% Library Acquisit: $6.1M
- 6.8% Shared Services: $17.3M
- 1.0% Travel: $2.5M
- 6.8% Other: $17.0M
E&G Revenue & Expense

FY18

Revenues

Tuition & Fees
(Net of $3.0M waivers)

$155.8M

58.3%

Unrestricted State Appropriation

$83.8M

31.4%

Sales/Transfers/other

$19.2M

7.2%

Indirect Costs

$8.4M

3.1%

Total Revenue

$267.2M

Expenditures

Compensation & Benefits

$158.6M

59.4%

Institutional Aid

$46.1M

17.3%

All Other

$62.5M

23.3%

3.7% Fuel & Electricity $10.0M
2.4% Capital $6.5M
2.4% Library Acquisition $6.5M
6.8% Shared Services $18.2M
1.0% Travel $2.6M
7.0% Other $18.7M
**FY17 & FY18 Comparison**

### Revenue

**FY17**
- **Tuition & Fees** (Net of $3.0M waivers): $144.1M (56.9%)
- **Unrestricted State Appropriation**: $82.5M (32.6%)
- **Indirect Costs**: $8.4M (3.3%)
- **Sales/Transfers/other**: $18.4M (7.2%)

**FY18**
- **Tuition & Fees** (Net of $3.0M waivers): $155.8M (58.3%)
- **Unrestricted State Appropriation**: $83.8M (31.4%)
- **Indirect Costs**: $8.4M (3.1%)
- **Sales/Transfers/other**: $19.2M (7.2%)

**Expenditures**

**FY17**
- **Compensation & Benefits**: $151.6M (59.8%)
- **Institutional Aid**: $42.6M (16.8%)
- **All Other**: $59.2M (23.4%)

**FY18**
- **Compensation & Benefits**: $158.6M (59.4%)
- **Institutional Aid**: $46.1M (17.3%)
- **All Other**: $62.5M (23.3%)

### Additional Information

<table>
<thead>
<tr>
<th>Item</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Fees (Net of $3.0M waivers)</td>
<td>$144.1M</td>
<td>$155.8M</td>
</tr>
<tr>
<td>Unrestricted State Appropriation</td>
<td>$82.5M</td>
<td>$83.8M</td>
</tr>
<tr>
<td>Indirect Costs</td>
<td>$8.4M</td>
<td>$8.4M</td>
</tr>
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<td>$18.4M</td>
<td>$19.2M</td>
</tr>
<tr>
<td>Compensation &amp; Benefits</td>
<td>$151.6M</td>
<td>$158.6M</td>
</tr>
<tr>
<td>Institutional Aid</td>
<td>$42.6M</td>
<td>$46.1M</td>
</tr>
<tr>
<td>All Other</td>
<td>$59.2M</td>
<td>$62.5M</td>
</tr>
</tbody>
</table>

**Costs by Category**

- **Fuel & Electricity**: $10.1M (4.0%) of FY18
- **Capital**: $6.2M (2.4%)
- **Library Acquisit.**: $6.1M (2.4%)
- **Shared Services**: $17.3M (6.8%)
- **Travel**: $2.5M (1.0%)
- **Other**: $17.0M (6.8%)

**Costs by Category**

- **Fuel & Electricity**: $10.0M (3.7%) of FY18
- **Capital**: $6.5M (2.4%)
- **Library Acquisit.**: $6.5M (2.4%)
- **Shared Services**: $18.2M (6.8%)
- **Travel**: $2.6M (1.0%)
- **Other**: $18.7M (7.0%)
## Tuition and Room & Board Rates

### Tuition – per Credit Hour

<table>
<thead>
<tr>
<th></th>
<th>FY17 Current</th>
<th>FY18 Proposed</th>
<th>$ Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-State Undergraduate</td>
<td>$279</td>
<td>$286</td>
<td>$7</td>
<td>2.5%</td>
</tr>
<tr>
<td>In-State Graduate</td>
<td>$418</td>
<td>$429</td>
<td>$11</td>
<td>2.6%</td>
</tr>
<tr>
<td>Out of-State Undergrad</td>
<td>$908</td>
<td>$932</td>
<td>$24</td>
<td>2.6%</td>
</tr>
<tr>
<td>Out of-State Graduate</td>
<td>$1,361</td>
<td>$1,397</td>
<td>$36</td>
<td>2.6%</td>
</tr>
<tr>
<td>NEBHE/Canadian Undergrad</td>
<td>$432</td>
<td>$458</td>
<td>$26</td>
<td>6.0%</td>
</tr>
<tr>
<td>NEBHE/Canadian Graduate</td>
<td>$648</td>
<td>$686</td>
<td>$38</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

### Room & Board Rates*

<table>
<thead>
<tr>
<th></th>
<th>FY17 Current</th>
<th>FY18 Proposed</th>
<th>$ Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room</td>
<td>$5,154</td>
<td>$5,270</td>
<td>$116</td>
<td>2.2%</td>
</tr>
<tr>
<td>Board</td>
<td>4,710</td>
<td>4,875</td>
<td>165</td>
<td>3.5%</td>
</tr>
<tr>
<td>Total</td>
<td>$9,864</td>
<td>$10,145</td>
<td>$281</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

*Board rates shown are based on the meal plan with the greatest projected number of diners. Room rates are based on double occupancy. Several other meal plans and room rates are available.
## Mandatory Fees

(Annual unless listed as per credit hour)

<table>
<thead>
<tr>
<th></th>
<th>FY17 Current</th>
<th>FY18 Proposed</th>
<th>$ Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Graduate Student Activity Fee</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 or More Credit Hours</td>
<td>$80</td>
<td>$80</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Undergraduate Student Activity Fee</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 or More Credit Hours</td>
<td>$90</td>
<td>$106</td>
<td>16</td>
<td>17.8%</td>
</tr>
<tr>
<td><strong>Communication Fee</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 or More Credit Hours</td>
<td>$30</td>
<td>$30</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Recreation Center Fee</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 to 5 Credit Hours</td>
<td>$162</td>
<td>$162</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>6 or More Credit Hours</td>
<td>$270</td>
<td>$270</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Unified Fee</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 to 5 Credit Hours</td>
<td>$250</td>
<td>$256</td>
<td>6</td>
<td>2.4%</td>
</tr>
<tr>
<td>6 to 11 Credit Hours</td>
<td>$762</td>
<td>$782</td>
<td>20</td>
<td>2.6%</td>
</tr>
<tr>
<td>12 to 15 Credit Hours</td>
<td>$1,868</td>
<td>$1,916</td>
<td>48</td>
<td>2.6%</td>
</tr>
<tr>
<td>16 or More Credit Hours</td>
<td>$1,916</td>
<td>$1,966</td>
<td>50</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

*Student voted fee
Maine Economic Improvement Funds (MEIF)

• Maine Economic Improvement Fund is a Restricted State Appropriation.

• The University of Maine supports the Maine Economic Improvement Fund with E&G dollars to cover the contractual salary increases and changes in benefit rates.

• Funds are used to build research infrastructure in the technology sectors identified by the State.
  • Leverage external grants and contracts
  • Support researchers and technicians
  • Support graduate and undergraduate students (non $ tuition)
  • Support product innovation
  • Purchase equipment to upgrade university labs
  • Protect intellectual property developed by these activities
### Maine Economic Improvement Funds (MEIF)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18 MEIF base appropriation to UMaine</td>
<td>$13.2M</td>
</tr>
<tr>
<td>UMaine unrestricted support</td>
<td>$5.8M</td>
</tr>
<tr>
<td><strong>Total MEIF funds</strong></td>
<td><strong>$19.0M</strong></td>
</tr>
</tbody>
</table>

#### MEIF Commitments

- **Salaries, Wages, Benefits & Stipends**: $14.4M (75.8%)
- **Operating**: $1.9M (14.0%)
- **Cost Share**: $2.7M (10.2%)
MEIF Breakdown by Sector

$19.0M

- Aquaculture & Marine Science: $4.4M
- Information Technology: $3.0M
- Forestry & Agriculture: $2.8M
- Composites: $2.5M
- Precision Manufacturing: $2.3M
- Environmental: $1.9M
- Biotechnology: $1.3M
- Cross Sector: $0.8M
MEIF Project Examples

**Biotechnology**
Regulation of the Extracellular Matrix During Development

**Cross Sector**
State Surveillance of Opioid Morbidity and Mortality

**Environmental**
Multi and Hyperspectral Bio Optical Identification and Tracking of Water Masses

**Precision Manufacturing**
Interstitial Fluid Analysis: Feasibility Study for Use in Threat Exposure

**Aquaculture & Marine Science**
Maine EPSCoR - SEANET: Sustainable Ecological Aquaculture Network

**Information Technology**
NSF – Teaching Fellowship Program

**Composites**
Design Development of Prototype Engineered Energy Efficient and Low Logistic Burden Materials and Processes IV

**Forestry & Agriculture**
Penobscot Experimental Forest Research and Technology Transfer
FY18 Budget Summary

Levers

**NON-DISCRETIONARY**

Net Incremental Revenue

$3,863,359

Total Incremental Expense

($5,811,512)

Non-Discretionary Parameters Gap

($1,948,153)

**STRATEGIC**

Revenue Increases/(Decreases)

$4,228,777

Total Incremental Strategic Expense

($3,041,209)

Strategic Surplus

$1,187,568

Total Non-Discretionary and Strategic Campus Gap:

($760,585)
Focus on Increased Enrollment

Shifting Dependence from State Appropriation

Results in Enhanced Fiscal Positioning

Increases in Enrollment lead to increased revenue and enhanced fiscal positioning.

Investments in Faculty, Students & Staff

Student Success & Opportunities

Research & Economic Dev.

Increased Student Retention & Graduation

Base State Appropriation

Tuition & Fees