FY2019 E&G Budget Discussion

University of Maine
FY19 Budget Cycle

Develop preliminary FY19 Budget Working with VP’s, Deans & Directors

Campus FY19 Budget Development
Initial Conversations

2017

Jul Aug Sept Oct Nov Dec

Enrollment update
Review of allocations & assumptions

2018

Jan Feb Mar Apr May Jun

Initial budget review by members of FF&T
Budget reviewed by FF&T of BOT
Final budget approved by BOT TBD

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

1st iteration of FY19 budgets updated into Maine-Street by 01/15/18

Campus Budget Discussions

November 9th

February TBD

May TBD
FY18 E&G Revenue & Expense Base

Revenue

- Tuition & Fees (net of $3.0M waivers) $155.8M
- Indirect Costs $8.4M
- Sales/Transfers/Other $19.2M
- Unrestricted State Appropriation $83.8M

Total Revenue $267.2M

Expense

- Compensation & Benefits $158.6M
- Institutional Aid $46.1M
- All Other $62.5M

- 3.1% Fuel & Electricity $10.0M
- 2.4% Capital $6.5M
- 2.4% Library Acquis. $6.5M
- 6.8% Shared Services $18.2M
- 1.0% Travel $2.6M
- 7.0% Other $18.7M

Total Expense $267.2M
Focus on E&G Revenue

**Incremental Revenue Components**

**Unrestricted State Appropriation**

$83.8M

- Legislative support – importance of higher education to state
- Showcase UMaine’s mission throughout the state
Focus on E&G Revenue

Incremental Revenue Components

- Sales / Transfers / Other $19.2M
- Transfers from Auxiliaries in support of E&G $3.3M
- Athletics $4.7M, DIC $2.1M, UMCE $1.7M, Clinics, Conferences, etc.
Focus on E&G Revenue

**INCREMENTAL REVENUE COMPONENTS**

*Indirect Cost Recovery*

$8.4M

- Reorganize Office of Research to grow research and help maximize grant funding
- Optimize use of MEIF funds to support research and its impact in targeted Maine economic sectors
Focus on E&G Revenue

Incremental Revenue Components

Tuition & Fees
(net of $3.0M waivers)

$155.8M

• Greatest % of total revenue
• Importance to supporting campus costs and initiatives
First Year Enrollment 2-Yr Headcount Comparison

Fall 2016

- In-State: 1,259
- Out-of-State: 971

Total: 2,230

Fall 2017

- In-State: 1,180
- Out-of-State: 1,119

Total: 2,299

2,300 Census Goal
Enrollment: Strategic Growth

Fall 2017 Headcount

9,279 Undergraduates 1,961 Graduates

11,240 Total Enrollment
10-yr Credit Hour Comparison

**UNDERGRADUATE**

<table>
<thead>
<tr>
<th>Year</th>
<th>In-State</th>
<th>Out-of-State</th>
<th>Total</th>
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<tbody>
<tr>
<td>2008</td>
<td>103,163</td>
<td>22,509</td>
<td>125,672</td>
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<tr>
<td>2009</td>
<td>102,573</td>
<td>23,134</td>
<td>125,707</td>
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<tr>
<td>2010</td>
<td>99,984</td>
<td>23,705</td>
<td>123,689</td>
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<tr>
<td>2011</td>
<td>98,495</td>
<td>24,276</td>
<td>122,771</td>
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<td>2012</td>
<td>96,006</td>
<td>24,847</td>
<td>120,853</td>
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<td>2013</td>
<td>93,517</td>
<td>25,418</td>
<td>118,935</td>
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<td>2014</td>
<td>91,028</td>
<td>26,008</td>
<td>117,036</td>
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<tr>
<td>2015</td>
<td>88,540</td>
<td>26,589</td>
<td>115,129</td>
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<tr>
<td>2016</td>
<td>86,051</td>
<td>27,170</td>
<td>113,221</td>
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<tr>
<td>2017</td>
<td>83,562</td>
<td>27,751</td>
<td>111,313</td>
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</table>

- **Total** 125,672
- **In-State** 103,163
- **Out-of-State** 22,509

**Credit Hours**

- **Total** 129,520
- **In-State** 82,045
- **Out-of-State** 47,475

- 3.1% Increase
- 20.5% Decrease
- 110.9% Increase
10-yr Credit Hour Comparison

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</tr>
</thead>
<tbody>
<tr>
<td><strong>In-State</strong></td>
<td>8,545</td>
<td>8,175</td>
<td>7,814</td>
<td>7,588</td>
<td>7,348</td>
<td>7,118</td>
<td>6,894</td>
<td>6,670</td>
<td>6,445</td>
<td>6,220</td>
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<tr>
<td><strong>Out-of-State</strong></td>
<td>2,635</td>
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<tr>
<td><strong>Total</strong></td>
<td>11,180</td>
<td>10,810</td>
<td>10,449</td>
<td>10,223</td>
<td>9,983</td>
<td>9,753</td>
<td>9,529</td>
<td>9,305</td>
<td>9,080</td>
<td>8,855</td>
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- **In-State**
  - 2008: 8,545
  - 2017: 6,220
  - Decrease: 12.6%

- **Out-of-State**
  - 2008: 2,635
  - 2017: 2,635
  - Increase: 24.9%

- **Total**
  - 2008: 11,180
  - 2017: 8,855
  - Decrease: 24.2%
New England Land Grants

### Ratio of In-State/Out-of-State Students

<table>
<thead>
<tr>
<th>Fall 2017</th>
<th>UVM</th>
<th>UNH</th>
<th>URI</th>
<th>UM</th>
<th>UMASS</th>
<th>UCONN</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-State</td>
<td>27%</td>
<td>46%</td>
<td>53%</td>
<td>64%</td>
<td>77%</td>
<td>---</td>
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<tr>
<td>Out-of-State</td>
<td>73%</td>
<td>54%</td>
<td>47%</td>
<td>36%</td>
<td>23%</td>
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</tbody>
</table>

Increase in
Out-of-State
Undergraduate
Degree-Seeking
Students

- Increase of 19% points over 8 years

First-year
Class Profile

- 51% In-State
- 49% Out-of-State
High School Graduate Trends

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

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

Source: Western Interstate Commission for Higher Education (WICHE)
Enrollment: Strategic Growth

Shaping UMaine’s Student Body

- Accept students who are prepared to succeed
- Enhance access through partnership
Enrollment: Strategic Growth

How are we doing this?

✓ Phase out remediation programs
✓ Manage admission to high-demand programs
✓ Aggressively pursue top Maine students
✓ Increase support for outstanding students
✓ Improve overall student success
Phase out remediation programs

- Eliminated Onward Program—2016
- Eliminated Foundations—2017
- Impact
  - Mean First Year SAT up 4 points
    - 2016 = 1147
    - 2017 = 1151
  - First Year 25th percentile up 10 points
    - 2016 = 1050
    - 2017 = 1060

Next Steps

- Direct students who meet criteria for Foundations to University of Maine at Augusta and University of Maine at Machias
- Establish criteria for these students to earn automatic admission to UMaine

✓ Phase out remediation programs

Manage admission to high-demand programs

Aggressively pursue top Maine students

Increase support for outstanding students

Improve overall student success
Manage admission to high-demand programs

- Phase out remediation programs
- **Manage admission to high-demand programs**
  - Aggressively pursue top Maine students
  - Increase support for outstanding students
  - Improve overall student success
- Add additional high demand programs (e.g., Business)

Next Steps

- Elevate acceptance criteria
- Create waiting lists
- Enforce confirmation dates

High demand programs (Engineering, Nursing)
Aggressively Pursue Top Maine Students

• Maine Top Scholars Program
  • Top 20 Maine students accepted
  • Full scholarship (100% tuition & fees)
  • Matched to faculty research mentor
  • $500 per year for research expenses

• Implemented with Fall 2017 First Year Class
  • 38 Maine Top Scholars

Next Steps
High school junior Maine Science Fair winners
Featured in Vision for Tomorrow campaign
Increase support for outstanding students

- Created an Office of Major Scholarships, Fall 2017
  - Major Scholarships Coordinator
  - Office in Library
  - Hub for information
  - Mentoring students
  - Workshops for students and faculty
  - Application support

Next Steps

Expand experiential learning opportunities for students through Center for Undergraduate Research (CUGR)
Improve overall student success

- Improve four-year graduation rate
  - Think 30
  - Impact: 10% increase in students who earn 30+ credit hours in first year
- Invest in student advising

Next Steps

- Improve success rate in gateway courses
- Use smart technology
✓ Enrollment is essential to our financial health
✓ Changing demographics is a challenge
✓ University of Maine has a plan to move forward

Enrollment is Everybody’s Business!
FY19 Budget Levers

**Non-Discretionary**

- **Tuition & Fees**
  - In-State & Out-of-State Increase
  - State Mandated Waivers
  - Increase in Unpaid Student Accounts

- **State Appropriation**

- **Compensation**
  - Salary & Wage Negotiated Increases
  - Employee Salary & Wage Benefits

- **Operational Increases**
  - Facility Insurances
  - University Shared Services
  - Required Increase in Capital Funding

**Strategic**

- **Tuition & Fees**
  - Enrollment Adjustments
  - Scholarship Increases (Including Flagship Match, Need Based, Maine Match, Top Scholars, etc.)

- **Investments**
  - Academic Investments
  - Student Affairs Investments
  - Transitioning of Academic One-time Positions to Base
  - Admissions Enrollment Efforts
  - Facilities/Capital Investments/Utilities
  - Library Acquisitions
Where are we today?

Final

• Enrollment projections based on another incoming class of 2,300
• Tuition and fee increases
• State appropriation allocation (last year of Outcomes Based Funding)
• University Shared Services cost increases

Finalizing

• Compensation, including benefits
• Financial Aid and Waiver increases
• Strategic investments

The current outlook is positive. Colleges have been given approval to move forward to replace faculty positions.