FY2018 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

Carol Kim
VP Research & Dean of Graduate School

Claire Strickland
Chief Business Officer
UMaine Fiscal Year 2018
(July 1, 2017 through June 30, 2018)

2016
July  
Campus FY18 Budget Development Initial Conversations

2017
Jan  
1st iteration of FY18 budgets updated into MaineStreet by 01/15/17

May
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

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
<th>In-State</th>
<th>Out-of-State</th>
<th>NEBHE, Canadian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1,265</td>
<td>1,171</td>
<td>119</td>
</tr>
<tr>
<td>Projects Oct. 15</td>
<td></td>
<td>1,183</td>
<td>978</td>
<td>116</td>
</tr>
<tr>
<td>NEBHE, Canadian</td>
<td></td>
<td>116</td>
<td>115</td>
<td>115</td>
</tr>
<tr>
<td>Melt (same as 2016)</td>
<td>11%</td>
<td>9%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>
E&G Revenue & Expense

**FY17**

### Revenue

- **Tuition & Fees** (Net of $3.0M waivers): $144.1M (56.9%)
- **Unrestricted State Appropriation**: $82.5M (32.6%)
- **Other Sales/Transfers**: $18.4M (7.2%)

- **Indirect Costs**: $8.4M (3.3%)

### Expenditures

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

**Total Expenditures**: $253.4M

- **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

Revenue

- 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%)

Expenditures

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

Total Revenue: $267.2M

Expense Breakdown:
- 3.7% Fuel & Electricity $10.0M
- 2.4% Capital $6.5M
- 2.4% Library Acquisit. $6.5M
- 6.8% Shared Services $18.2M
- 1.0% Travel $2.6M
- 7.0% Other $18.7M
FY17 & FY18 Comparison

**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, 7.2%
- **Sales/Transfers/other**: $19.2M, 7.3%

**Revenue**

- **FY17**: $144.1M
- **FY18**: $155.8M

**Expenditures**

- **FY17**: $151.6M
- **FY18**: $158.6M

**Compensation & Benefits**

- **FY17**: $42.6M, 59.8%
- **FY18**: $46.1M, 59.4%

**Institutional Aid**

- **FY17**: $59.2M, 16.8%
- **FY18**: $62.5M, 17.3%

**All Other**

- **FY17**: $33.2M, 23.4%
- **FY18**: $43.9M, 23.3%

**Other**

- **FY17**: $18.7M
- **FY18**: $18.7M

**Expenses**

- **FY17**: $144.1M
- **FY18**: $155.8M
Auxiliary Services Units

FY18 by Auxiliary Units

Revenue

- Dining: $20.2M (39.2%)
- Housing: $19.6M (38.1%)
- Bookstore: $7.0M (6.5%)
- Printing Serv.: $1.2M (2.4%)
- Motor Pool: $0.1M (0.1%)

Total Revenue: $51.5M

Expenditures

- Salaries & Wages: $17.2M (33.4%)
- Supplies & Services: $13.4M (26.0%)
- Capital & Reserves: $5.6M (10.9%)
- Fuel & Electricity: $1.2M (7.2%)
- Maintenance & Alt.: $0.1M (5.8%)
- Scholarships & Waivers: $0.1M (2.3%)
- All Other: $7.4M (14.4%)

Total Expenditures: $3.7M

Capital & Reserves: $3.0M

Net Revenue: $3.7M
# 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</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate</td>
<td>$432</td>
<td>$458</td>
<td>$26</td>
<td>6.0%</td>
</tr>
<tr>
<td>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>Fee Type</th>
<th>Credit Hours</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>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>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>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>0 to 5 Credit Hours</td>
<td>$162</td>
<td>$162</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td></td>
<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>0 to 5 Credit Hours</td>
<td>$250</td>
<td>$256</td>
<td>6</td>
<td>2.4%</td>
</tr>
<tr>
<td></td>
<td>6 to 11 Credit Hours</td>
<td>$762</td>
<td>$782</td>
<td>20</td>
<td>2.6%</td>
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<tr>
<td></td>
<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></td>
<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
<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%)
- **Cost Share**: $2.7M (10.2%)
- **Operating**: $1.9M (14.0%)
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

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

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

- **Information Technology**
  NSF – Teaching Fellowship Program

- **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)
Leading to Focus on Increased Enrollment

Enhanced Fiscal Positioning

Results in

Investments in Faculty, Students & Staff

Student Success & Opportunities

Research & Economic Dev.

Increased Student Retention & Graduation