1-20-2016

FY17 Preliminary Education & General Budget

University of Maine

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Agenda

1. Timeline

2. Recap
   - Key Principles in Decision Making
   - Enrollment Plan for Fall 2016

3. Priority Setting
   - Signature & Emerging Areas of Excellence
   - Enrollment Trends

4. FY17 Budget Gap Analysis

5. Allocation of Investments & Target Cuts

6. Next Steps

7. Questions & Discussion
## Key Dates - Timeline

### FY17 Budget Prep

#### 2015
- **July**: Campus FY17 Budget Development
- **Aug**: • FY17 budget materials to CBO’s
  • Review of allocations & assumptions
  • Enrollment management update
- **Sept**: Finalize preliminary FY17 Gap
- **Oct**: 1st iteration of FY17 budgets updated into MaineStreet by 01/31/16
- **Nov**: Initial campus budget & MYFA review by Chancellor’s Office
- **Dec**: Develop draft FY17 consolidated budget

#### 2016
- **Jan**: Consolidated budget & MYFA review by BOT (FF&T)
- **Feb**: BOT final budget approval

### FY18 Unified Budget

#### 2015
- **July**: Work with CBO’s & President’s to discuss 6 financial policy areas

#### 2016
- **Aug**: • Gather feedback and narrow options
  • Create sub teams to develop specific policies for implementation
  • Seek input from constituencies and create viable options with details
- **Sep**: • Present to BOT
- **Oct**: • Implement new policies required under unified budget model
Recap
Key Principles in Decision Making

• Principles and process will be transparent
• Feedback/input will be encouraged throughout the budget development process
• Not solely a budget reduction exercise. Balance reductions with investments in key areas related to the university’s strategic priorities
• Minimize the impact on student learning, research, and enrollment
• Minimize impact on employees
Enrollment Plan for Fall 2016

First-year Incoming Students

<table>
<thead>
<tr>
<th>Fall 2015</th>
<th>Fall 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,047</td>
<td>2,150</td>
</tr>
</tbody>
</table>

Projected All Students

<table>
<thead>
<tr>
<th>Fall 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,150</td>
</tr>
</tbody>
</table>

Headcount

<table>
<thead>
<tr>
<th>Fall 2015</th>
<th>Fall 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,739</td>
<td>10,889</td>
</tr>
</tbody>
</table>

Projected Credit Hours

Total FY17 Projected Credit Hours: 272,942
Priority Setting
Signature and Emerging Areas of Excellence

**Signature Areas**

- Forestry and the Environment
- Marine Sciences
- STEM Education
- Climate Change
- Advanced Materials for Infrastructure and Energy
- College of Engineering
- Honors College

**Emerging Areas**

- Graduate School of Biomedical Science and Engineering
- Northeastern Americas: Humanities Research and Education
- Data Science and Engineering
- Sustainability Solutions and Technologies
- Aging Research
- Finance Education
Undergraduate Enrollment by Area

2009 - 2015

Arts: 524 in 2009, 307 in 2015, decrease of 41%

Humanities: 439 in 2009, 260 in 2015, decrease of 41%

Professional Studies: 2,452 in 2009, 2,424 in 2015, 1% decrease

Social and Behavioral Sciences: 1,455 in 2009, 1,131 in 2015, 22% decrease

STEM Disciplines: 3,137 in 2009, 3,909 in 2015, 25% increase
Graduate Enrollment by College

2009 - 2015

EDHD

- 40% decrease

ENGR

- 14% Increase

CLAS

- 9% Increase

MBS

- 13% decrease

NSFA

- 5% decrease

[Charts showing enrollment trends for each college from 2009 to 2015]
Graduate Enrollment by Area

2009 - 2015

Arts
- 2009: 37
- 2015: 58
- 57% Increase

Humanities
- 2009: 99
- 2015: 82
- 17% decrease

Professional Studies
- 2009: 884
- 2015: 594
- 33% decrease

Social and Behavioral Sciences
- 2009: 117
- 2015: 127
- 9% Increase

STEM Disciplines
- 2009: 597
- 2015: 608
- 2% Increase
Arts & Humanities Enrollment Trends

• Nationally, percentage of students graduating with a degree in Philosophy declined 20% from 1970 to 2009 (Chronicle of Higher Education, December 10, 2011)

• “English majors at the University of Maryland at College Park – down some 40 percent in a little more than three years” (Inside Higher Ed, January 26, 2015)

• “the history discipline’s share of degrees earning in 2011 declined to the lowest level in 10 years” (Perspectives on History, April, 2013)

• “Ohio State’s College of Arts and Sciences saw an 11 percent drop in credit hour enrollment over the past five years…Yet the College of Engineering grew by 56% and the business school grew by 12 percent.” (Inside Higher ED, June 4, 2015)
FY17 Budget Gap Analysis
True Gap

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation &amp; Benefits Increases</td>
<td>$2,850,000</td>
</tr>
<tr>
<td>Funded Depreciation Increase</td>
<td>200,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>300,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>134,300</td>
</tr>
<tr>
<td>Change in existing Shared Services</td>
<td>2,086,667</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$5,570,962</strong></td>
</tr>
<tr>
<td>Projected Increase in Net Tuition Revenue</td>
<td>$(3,000,000)</td>
</tr>
<tr>
<td><strong>True Gap</strong></td>
<td><strong>$2,570,967</strong></td>
</tr>
</tbody>
</table>
## FY17 Budget Gap Analysis

### Strategic Investments

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundational Support</td>
<td>$1,128,000</td>
</tr>
<tr>
<td>Signature &amp; Emerging Areas</td>
<td>362,000</td>
</tr>
<tr>
<td>Research Initiatives</td>
<td>125,000</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Faculty Recruitment, Retention and Advancement Initiatives (e.g. Partner Accommodation, Rising Tide, etc.)</td>
<td>242,414</td>
</tr>
<tr>
<td>Other Academic Priorities (e.g. Flagship Internship Program, Library Digital Commons, etc.)</td>
<td>418,311</td>
</tr>
</tbody>
</table>

**Total Strategic Investments**  
$4,275,725
## Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>True Gap</td>
<td>$2,570,967</td>
</tr>
<tr>
<td>Strategic Investments</td>
<td>4,275,725</td>
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<tr>
<td>FY17 Appropriation Increase</td>
<td>(281,377)</td>
</tr>
<tr>
<td><strong>Total Gap</strong></td>
<td><strong>$6,565,315</strong></td>
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</table>
Allocation of Investments and Target Cuts
# Target Cuts

<table>
<thead>
<tr>
<th>Department</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Undetermined Cut (or new resources)</strong></td>
<td>$ 2,599,320</td>
</tr>
<tr>
<td>VP Academic Affairs</td>
<td>$ 2,447,140</td>
</tr>
<tr>
<td>VP Research &amp; Dean of Graduate School</td>
<td>248,855</td>
</tr>
<tr>
<td>VP for Innovation and Economic Development</td>
<td>25,000</td>
</tr>
<tr>
<td>VP Student Affairs</td>
<td>240,000</td>
</tr>
<tr>
<td>Chief Business Officer</td>
<td>610,000</td>
</tr>
<tr>
<td>Presidential Areas</td>
<td>120,000</td>
</tr>
<tr>
<td>• Athletics</td>
<td>275,000</td>
</tr>
<tr>
<td><strong>Total Gap</strong></td>
<td>$ 6,565,315</td>
</tr>
</tbody>
</table>
Investments & Target Cuts

**CLAS**

- **Investment = $947,480**
  - Two Assistant Professors of Statistics
  - Assistant Professor of Professional & Technical Writing
  - Lecturer in Physics
  - Lab Instructors in Physics
  - Lecturer in Chemistry
  - Teaching Fellows in Mathematics
  - Teaching Assistants in Chemistry
  - Northeast Americas Support Staff

**Cut = $(819,925)**  •  **Net = $127,555**
Investments & Target Cuts

NSFA

- Investment = $497,000
  - Lecturer in Ecology & Environmental Sciences
  - Teaching Assistants
  - Assistant Professor/Honors Preceptor in Genomics
  - Extra Section Funds

Cut = $(332,224) • Net = $164,776

Engineering

- Investment = $158,016
  - Assistant Professor of Mechanical Engineering
  - Advising/Internship Coordinator

Cut = $(80,000) • Net = $78,016
Investments & Target Cuts

Honors
► Investment = $46,000
  + Assistant Professor/Honors Preceptor in Genomics
  Cut = $(45,000) • Net = $1,000

Library
► Investment = $14,225
  + Digital Commons
  Cut = $(106,422) • Net = $(92,197)

Associate Provost
► Investment = $45,000
  + Academic Support Staff
  Cut = $(114,535) • Net = $(69,535)

VP Research & Dean of Graduate School
► Investment = $125,000
  + Return of Indirects
  Cut = $(248,855) • Net = $(123,855)
<table>
<thead>
<tr>
<th>Department</th>
<th>Investment</th>
<th>Cut</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDHD</td>
<td>$0</td>
<td>$(298,916)</td>
<td>$(298,916)</td>
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<tr>
<td>Maine Business School</td>
<td>$0</td>
<td>$(111,308)</td>
<td>$(111,308)</td>
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<tr>
<td>Cooperative Extension</td>
<td>$0</td>
<td>$(264,180)</td>
<td>$(264,180)</td>
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<tr>
<td>Provost</td>
<td>$0</td>
<td>$(52,624)</td>
<td>$(52,624)</td>
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<tr>
<td>DLL</td>
<td>$0</td>
<td>$(115,366)</td>
<td>$(115,366)</td>
</tr>
<tr>
<td>Marketing &amp; Communications</td>
<td>$0</td>
<td>$(106,640)</td>
<td>$(106,640)</td>
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</tbody>
</table>
Next Steps
Next Steps

1. Refine budget as additional information is available
2. Meet with CFO & Chancellor – February 8\textsuperscript{th}
3. Meet with Finance, Facilities & Technology subcommittee of BOT – March 8\textsuperscript{th}
4. Next Budget Update – March 23\textsuperscript{rd}, 101 Neville Hall – will include Auxiliaries and MEIF
5. Process for Input
   Web Survey – umaine.edu/president
   Email – umpresident@maine.edu \textit{or}
   Email – umcbo@maine.edu
Welcome to the Office of the President

Welcome to the University of Maine.

Nearly three decades ago, I joined the UMaine community as a faculty member and researcher. I came to UMaine for the opportunities it offered, for the leadership it demonstrated as Maine's flagship university, and the dedication it embodied as the state's land and sea grant institution through its mission of teaching.