
Budget Town Hall

OCTOBER 22, 2020



Chancellor Introduction

Agenda

- Chancellor Introduction
- Current Situation
- Financial Plan
- Strategies
- Questions and Answers



Current Situation

FY20 Summary

Amount	Description
\$ 2,240,000.00	Lapse in FY20 State Support paid June 30 th
\$ 7,900,000.00	Lost Net Revenue (Housing, Dining, Special Course Fees, Etc.)
\$ 500,000.00	COVID Supplies
\$ 10,640,000.00	Total FY20 COVID Impact

FY21 Summary

Amount	Description
\$ 5,400,000.00	Unbudgeted Items
\$ 2,560,000.00	Service Based Pricing Net Revenue (not for tuition estimate)
\$ 2,080,000.00	Lapse in FY21 State Support
\$ 8,340,000.00	Lost Net Revenues
\$ 2,900,000.00	COVID Supplies
\$ (5,800,000.00)	Federal and State COVID Funding
\$ (2,190,000.00)	Internal Funds (Travel/Train Savings, Furlough)
\$ 13,290,000.00	Total FY21 COVID and Budget Impact

Total Impact

Amount	Description
\$ 10,640,000.00	Total FY20 COVID Impact
\$ 13,290,000.00	Total FY21 COVID and Budget Impact
\$ 23,930,000.00	Total Budget and Cash Impact

FY21 Budget Comparison

Summary of Changes - Tuition

Reductions

- \$3.1M Unbudgeted Not In Budget
- \$0.5M Service Based Pricing
- \$3.7M Decrease In Revenue
- \$2.1M State Lapse
- \$1.6M COVID Expenses

Improvements

- \$1.3M Furlough Savings
- \$0.9M Travel Savings
- \$2.5M State/Federal Support

FY21 Budget Comparison

Summary of Changes - Auxiliaries

Reductions in revenue and increased expenses offset by

- \$3.4M State/Federal Support
- \$0.3M Furlough Savings
- \$2.0M Other Operating Savings (including Travel savings)

Summary of Changes - Operating

Reductions in revenue and increased expenses not completely offset by

- \$0.6M State/Federal Support
- \$1.6M Other Operating Savings (including Travel, Furlough)

Financial Plan

One-Time or New Baseline

If the change in enrollment, housing residents, etc. is one-time

- Fall 2021 freshmen class would need to raise by 70+ students
- Fall 2021 enrollment (Sophomores, Juniors, Seniors) will jump by 400-500 students
- Fall 2021 housing residents and dining participants would need to raise by 300+ students
- No significant changes in our retention from Fall 2020 to Spring 2021
- COVID impacts must be done by May 2021

Financial Outlook – Tuition Funds

Tuition Funds	FY21	FY22	FY23	FY24	FY25
Revenues	116,085,950.29	115,592,062.50	114,351,850.14	113,951,143.86	113,887,596.75
Expenses	(117,006,831.00)	(125,036,730.65)	(125,056,181.65)	(125,073,294.65)	(125,091,280.65)
Unbudgeted Items	(5,355,747.56)	-			
Service Based Pricing Excess Revenues	(2,350,158.36)	(2,398,085.40)	(2,545,623.62)	(2,693,161.85)	(2,840,700.07)
Additional Funding	2,475,591.02				
Net Cash Flow	(6,151,195.61)	(11,842,753.55)	(13,249,955.14)	(13,815,312.64)	(14,044,383.97)

Note: Assumes additional funding is split base on weight average of net lost revenues and actual expenses.

Financial Outlook – Auxiliary Funds

Auxiliary Funds	FY21	FY22	FY23	FY24	FY25
Revenues	38,023,199.24	36,768,731.30	35,765,335.02	35,274,311.31	34,988,236.63
Expenses	(39,699,725.97)	(42,029,692.24)	(42,063,451.24)	(42,097,021.24)	(40,818,317.85)
Unbudgeted Items		-			
Additional Funding	3,359,558.60				
Net Cash Flow	1,683,031.86	(5,260,960.93)	(6,298,116.21)	(6,822,709.93)	(5,830,081.23)

Note: Assumes additional funding is split base on weight average of net lost revenues and actual expenses.

Financial Outlook – Operational Funds

Operating Funds	FY21	FY22	FY23	FY24	FY25
Revenues	22,098,255.18	24,828,742.92	24,788,933.87	24,769,452.85	24,758,103.04
Expenses	(23,610,131.03)	(25,010,241.13)	(25,010,241.13)	(25,010,241.13)	(25,010,241.13)
Unbudgeted Items		-			
Additional Funding	582,550.38				
Net Cash Flow	(929,325.46)	(181,498.21)	(221,307.26)	(240,788.28)	(252,138.09)

Note: Assumes additional funding is split base on weight average of net lost revenues and actual expenses.

Financial Outlook – Combined

Tuition, Auxiliaries and Operating	FY21	FY22	FY23	FY24	FY25
Revenues	176,207,404.72	177,189,536.73	174,906,119.03	173,994,908.02	173,633,936.41
Expenses	(180,316,688.00)	(192,076,664.02)	(192,129,874.02)	(192,180,557.02)	(190,919,839.64)
Unbudgeted Items	(5,355,747.56)	-	-	-	-
Service Based Pricing Excess Revenues	(2,350,158.36)	(2,398,085.40)	(2,545,623.62)	(2,693,161.85)	(2,840,700.07)
Additional Funding	6,417,700.00	-	-	-	-
Net Cash Flow	(5,397,489.20)	(17,285,212.70)	(19,769,378.61)	(20,878,810.85)	(20,126,603.29)

Other Assumptions

Financial Plan Assumptions

- No significant changes in our retention from Fall 2020 to Spring 2021
- COVID impacts must be done by May 2021
- No additional state funding lapses
- No significant increased costs for COVID in Spring 2021
- No major impacts from other funds

Strategies

Strategies – Cost Savings

- Freeze vacancies
- Reduce lump sum payments
- Optimize Investments
- Reduce central funding of expenses
- Address other operational costs
- Moratorium on non-essential hiring
- Moratorium on non-essential travel
- Staffing adjustments
- Centralize operations
- Expansion of current costs savings strategies

Strategies – Revenue Generation

- Modest increases in certain tuition rates
- Modest increases in housing and dining rates
- New grant funding options
- Identify underutilized assets
- Launch new academic programs, degrees, and certifications

Questions and Answers
