

# FY19 Budget Overview

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Dana Wavle, VC for Administrative Affairs  
Open Sessions  
July 16 and August 2, 2018

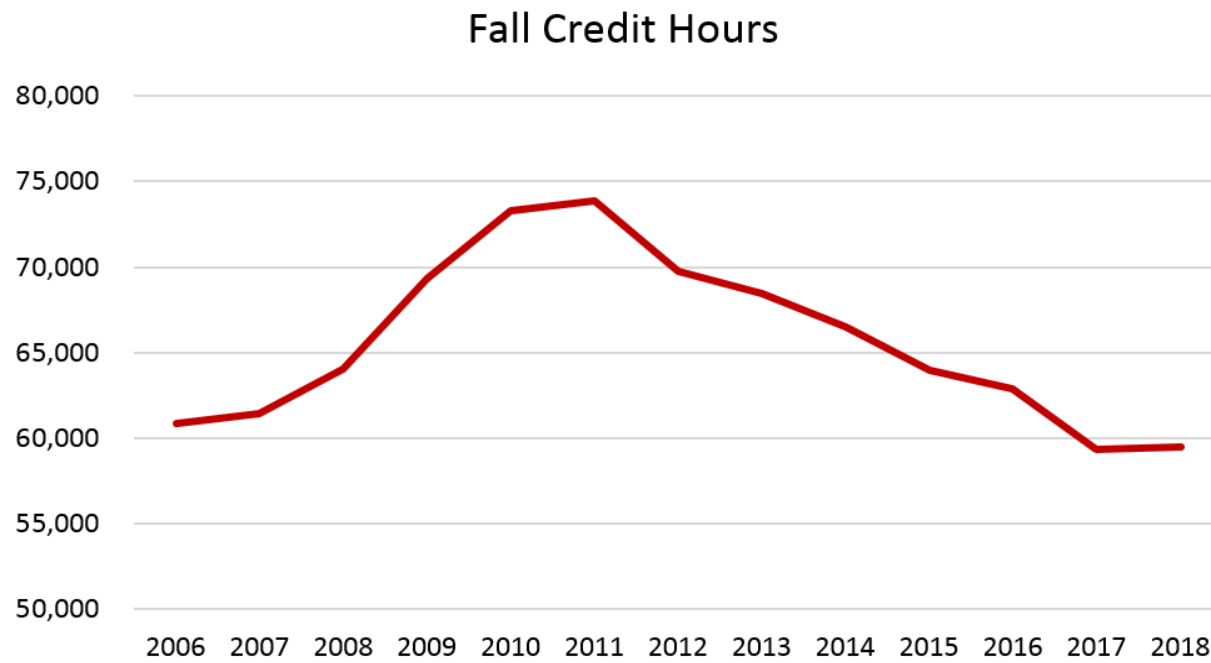
# The “Bucket” List

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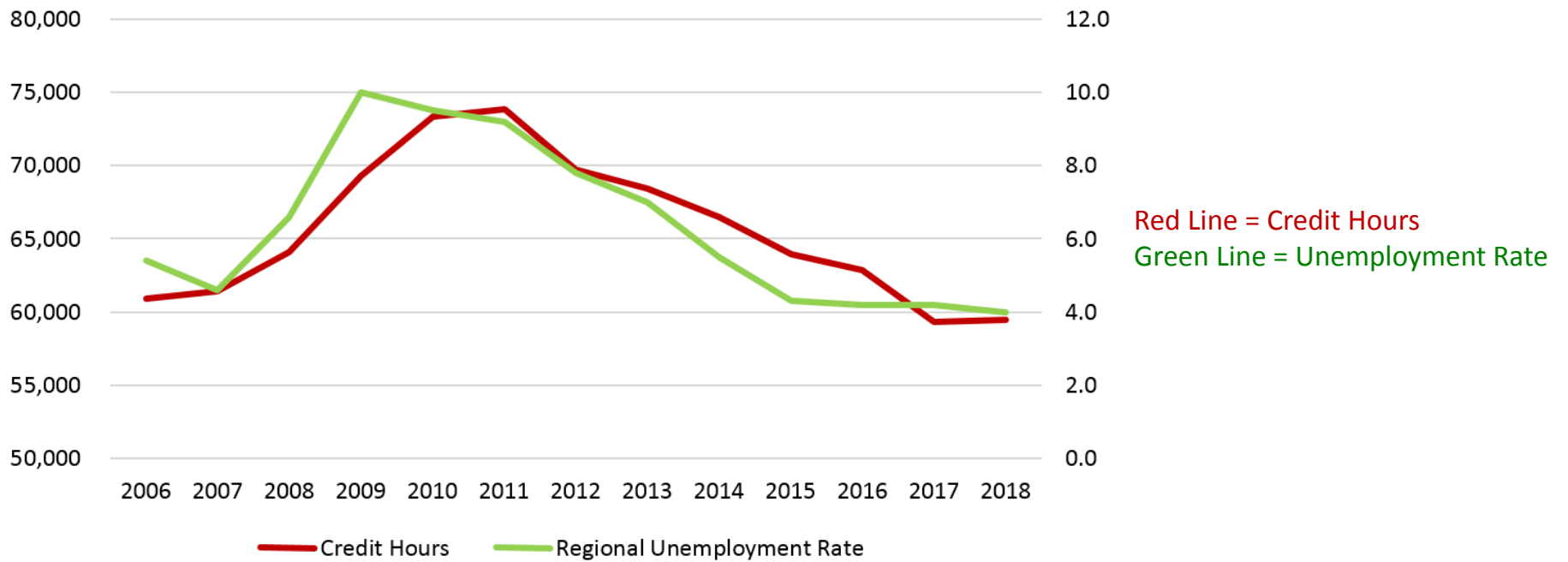
# Fall Credit Hours

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# Fall Credit Hours & Unemployment Rate

Fall Credit Hours and Regional Unemployment Rate



# FY18 Year In Review

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- Ended FY17 with a **deficit** of \$833K (3.7% decline in credit hours)
- Revenue was declining faster than our ability to reduce expenses
- The FY18 budget was adopted with a \$1.6 million structural deficit
- Most employees did not receive a raise on 7/1/17
- Spending controls were implemented in June 2017
- The Cabinet started working on a Budget Reduction Plan in July 2017

# FY18 Year In Review

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- Budget Reduction Plan announced in September 2017 (reductions to personnel, travel, hospitality, and various non-compensation lines)
- Credit hours were down 2.6% for Fall '17 and down 3.1% for Spring '18
- In February, University Administration requested that the FY18 budget be updated to reflect the Budget Reduction Plan (creating a balanced budget) – \$2.3 million in adjustments

# FY18 General Fund Budget Adjustments

<b><u>Revenue</u></b>	<b><u>FY18 Base</u></b>	<b><u>FY18 Adjusted</u></b>	<b><u>\$ Inc/(Dec)</u></b>	<b><u>% Inc/-Dec</u></b>
Student Fees	\$32,628,390	\$32,628,390	\$0	0.0%
State Appropriation	22,634,330	22,634,330	0	0.0%
Other revenue	1,001,275	1,001,275	0	0.0%
<b>Total Revenue</b>	<b>\$56,263,995</b>	<b>\$56,263,995</b>	<b>\$0</b>	<b>0.0%</b>
<b><u>Expenses</u></b>	<b><u>FY18 Base</u></b>	<b><u>FY18 Adjusted</u></b>	<b><u>\$ Inc/(Dec)</u></b>	<b><u>% Inc/-Dec</u></b>
Compensation	\$40,450,019	\$38,538,091	\$(1,911,928)	-4.7%
Financial Aid	998,239	998,239	0	0.0%
General Expenses	7,556,881	7,379,382	(177,499)	-2.3%
Utilities	1,350,400	1,350,360	(40)	0.0%
Travel	247,958	159,000	(88,958)	-35.9%
Capital	491,121	448,708	(42,413)	-8.6%
Reserves	(1,487,954)	790,238	2,278,192	-153.1%
Transfers	6,657,331	6,599,977	(57,354)	-0.9%
<b>Total Expenses</b>	<b>\$56,263,995</b>	<b>\$56,263,995</b>	<b>\$0</b>	<b>0.0%</b>

# FY19 General Fund Budget Summary

<b><u>Revenue</u></b>	<b><u>FY18</u></b>	<b><u>FY19</u></b>	<b><u>\$ Inc/(Dec)</u></b>	<b><u>% Inc/-Dec</u></b>
Student Fees	\$32,628,390	\$32,142,572	\$(485,818)	-1.5%
State Appropriation	22,634,330	23,479,228	844,898	3.7%
Other revenue	1,001,275	998,050	(3,225)	-0.3%
<b>Total Revenue</b>	<b>\$56,263,995</b>	<b>\$56,619,850</b>	<b>\$355,855</b>	<b>0.6%</b>
<b><u>Expenses</u></b>	<b><u>FY18</u></b>	<b><u>FY19</u></b>	<b><u>\$ Inc/(Dec)</u></b>	<b><u>% Inc/-Dec</u></b>
Compensation	\$38,538,091	\$39,114,640	\$576,549	1.5%
Financial Aid	998,239	966,124	(32,115)	-3.2%
General Expenses	7,379,382	7,742,911	363,529	4.9%
Utilities	1,350,360	1,356,369	6,009	0.4%
Travel	159,000	161,126	2,126	1.3%
Capital	448,708	448,708	0	0.0%
Reserves	790,238	(94,324)	(884,562)	-111.9%
Transfers	6,599,977	6,924,296	324,319	4.9%
<b>Total Expenses</b>	<b>\$56,263,995</b>	<b>\$56,619,850</b>	<b>\$355,855</b>	<b>0.6%</b>



## FY19 Performance Funding Increase by Campus

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<b>Regional Campus</b>	<b>FY19 Increase</b>
East	360,300
Kokomo	369,400
Northwest	153,800
South Bend	369,600
Southeast	286,300

## Four Main ICHE Productivity Metrics \* ("Show Me the Money")

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Category	2015-17	2017-19
Overall Degree Completion (per undergrad./master's degree)	\$3,300/\$1,600	\$5,100/\$2,500
At Risk Student Degree Completion (per Pell-eligible degree)	\$2,500	\$3,800
Student Persistence (students completing 30/60 credit hours)	\$300/\$600	\$500/\$1,000
On-Time Graduation (per student)	\$9,400	\$14,600

\* All metrics reward an increase in the 3-year average for Indiana resident students (KY students not included)

## Four Main ICHE Productivity Metrics \* (the “earn-back” after the “carve out”)

Category	FY18	FY19
Overall Degree Completion (per undergrad./master’s degree)	\$472,300	\$592,000
At Risk Student Degree Completion (per Pell-eligible degree)	335,200	420,100
Student Persistence (students completing 30/60 credit hours)	31,500	39,500
On-Time Graduation (per student)	365,000	457,500
<b>TOTAL “EARN-BACK”</b>	<b>\$1,204,000</b>	<b>\$1,509,200</b>
<b>Net Increase</b>	<b>\$413,300</b>	<b>\$286,300</b>

\* All metrics reward an increase in the 3-year average for Indiana resident students (KY students not included)

# FY19 Wrap-Up

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- We're still recovering from our financial illness – the full recovery will take years.
- We accomplished our year-long goal of raises (to eligible employees) on 7/1/18!
- Credit hours appear to be stabilizing.
- The unemployment rate is at an 18-year low.
- Graduate credit hours are on the rise for the first time in many years!

# Conclusion

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- Fall outlook as of today (credit hours)
- Questions, ideas, suggestions?
- Thank you!