



Preliminary FY10 Budget Discussion

Campus Presentation

March 26 & 30

A Member of the University of Maine System

Proposed Budget Agenda

1. Overview of University Revenue/Expenditures

- FY08 Revenue/Expenditure detail
- FY09 Auxiliaries Budget
- FY09 Educational & General (E&G) Budget

2. Convergence of Fiscal Pressures

3. Building the FY2010 E&G Budget

- Multi-year Projections
- Sensitivity Analysis
- FY09 Area Budgets as Base
- FY10 Reductions
- FY10 Student Costs

4. Internal Timeline

5. Questions & Answers

Total FY08 Revenue Actuals (all funds)

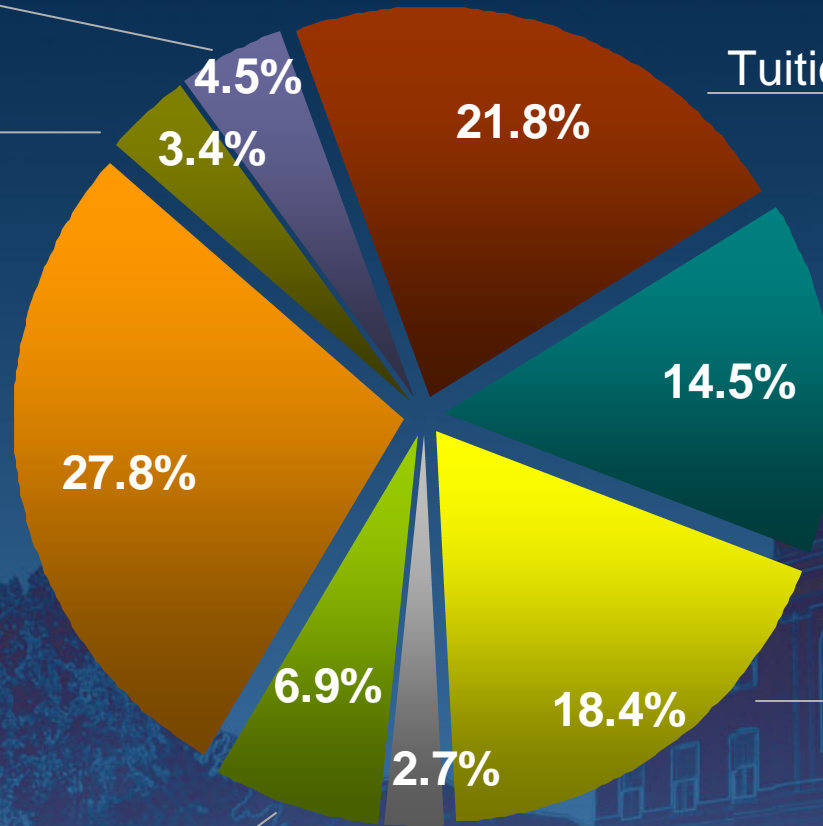
Total **\$321.6M**

Gifts **\$14.6M**

MEIF **\$11.0M**

State Appropriation
\$89.4M

Sales/Services **\$22.2M**



Tuition & Fees **\$70.1M**

Residence/Dining
Fees **\$46.5M**

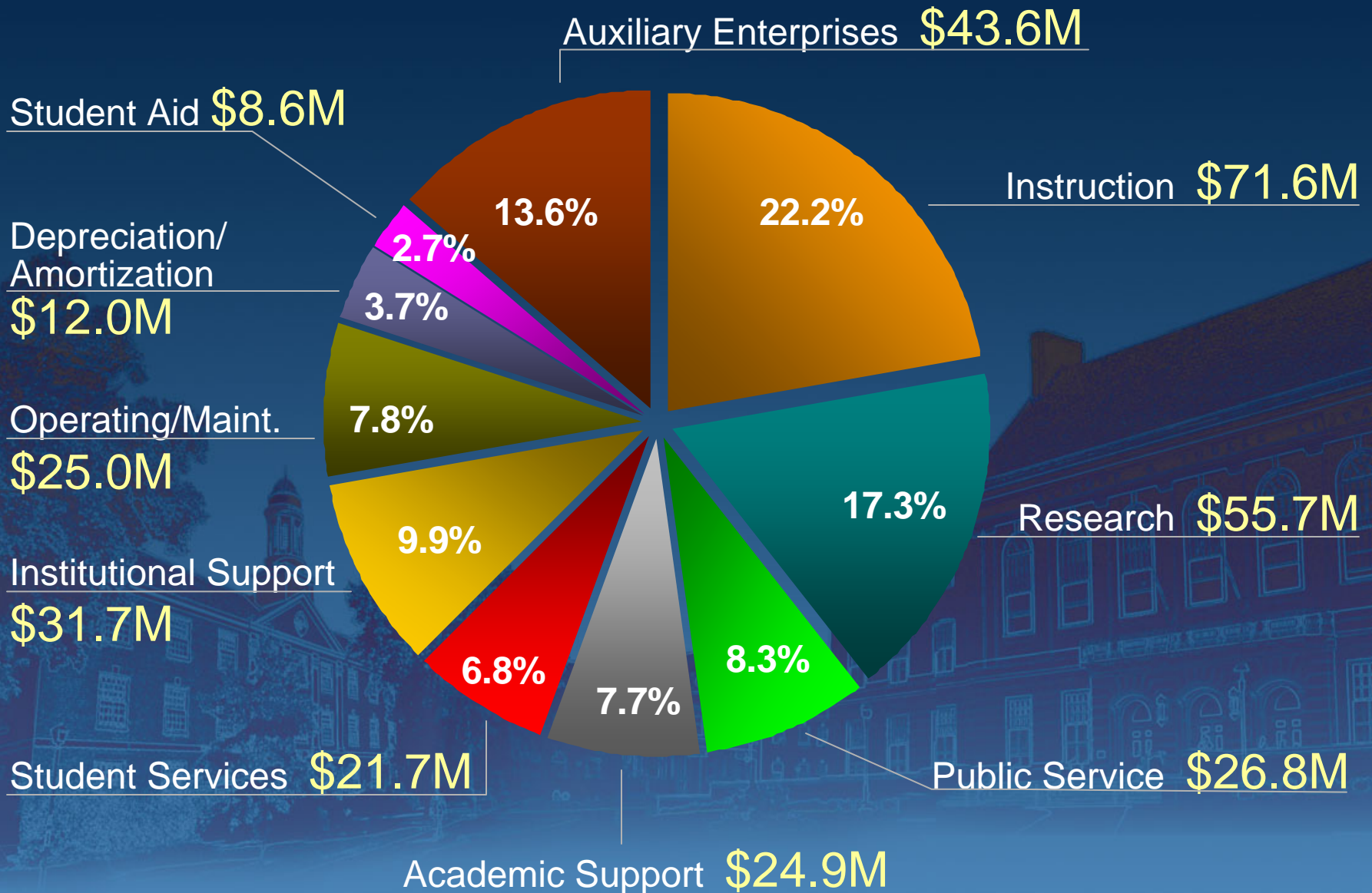
Grants/Contracts
\$59.2M

ICR **\$8.6M**

Includes \$500k in Public Utilities Commission support for Digital Library and \$226k in Racino Scholarship Funding

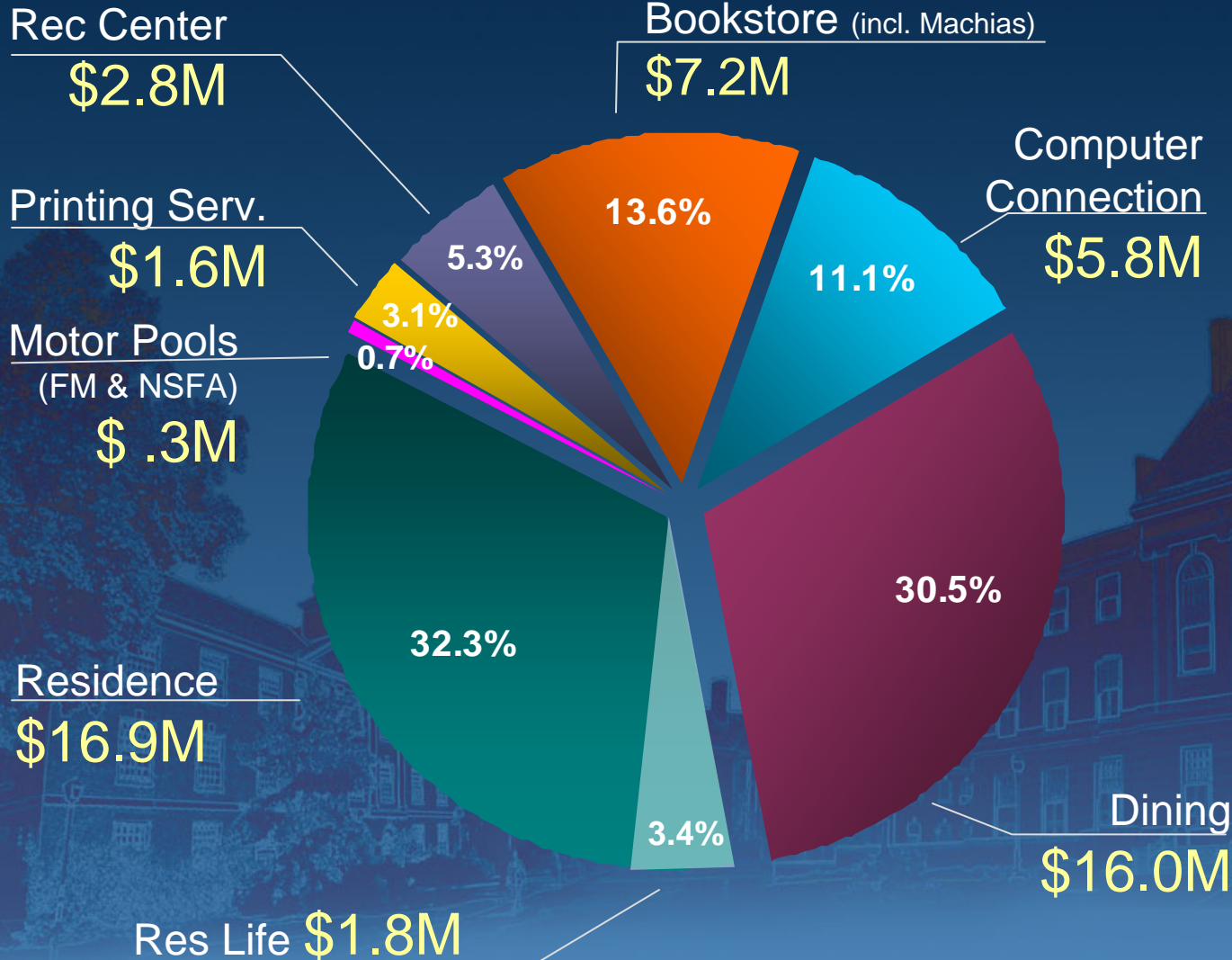
Total FY08 Expense Actuals (all funds)

Total **\$321.6M**



FY09 Auxiliaries Base Budget

Revenue – Total \$52.4M



Expenditures

Total \$52.1

Operating
(Goods & Services)
\$36.8M

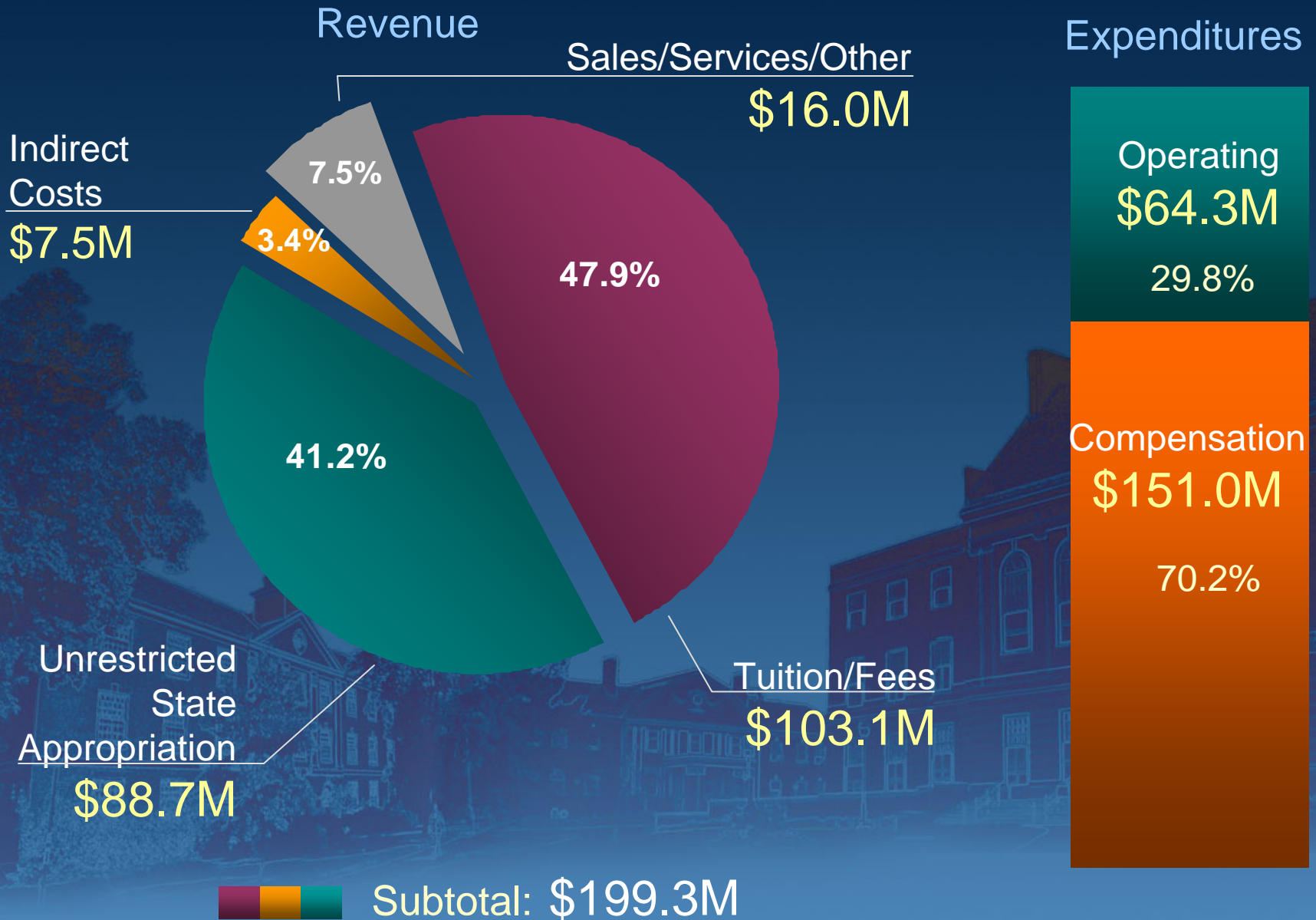
71%

Compensation
\$15.3M

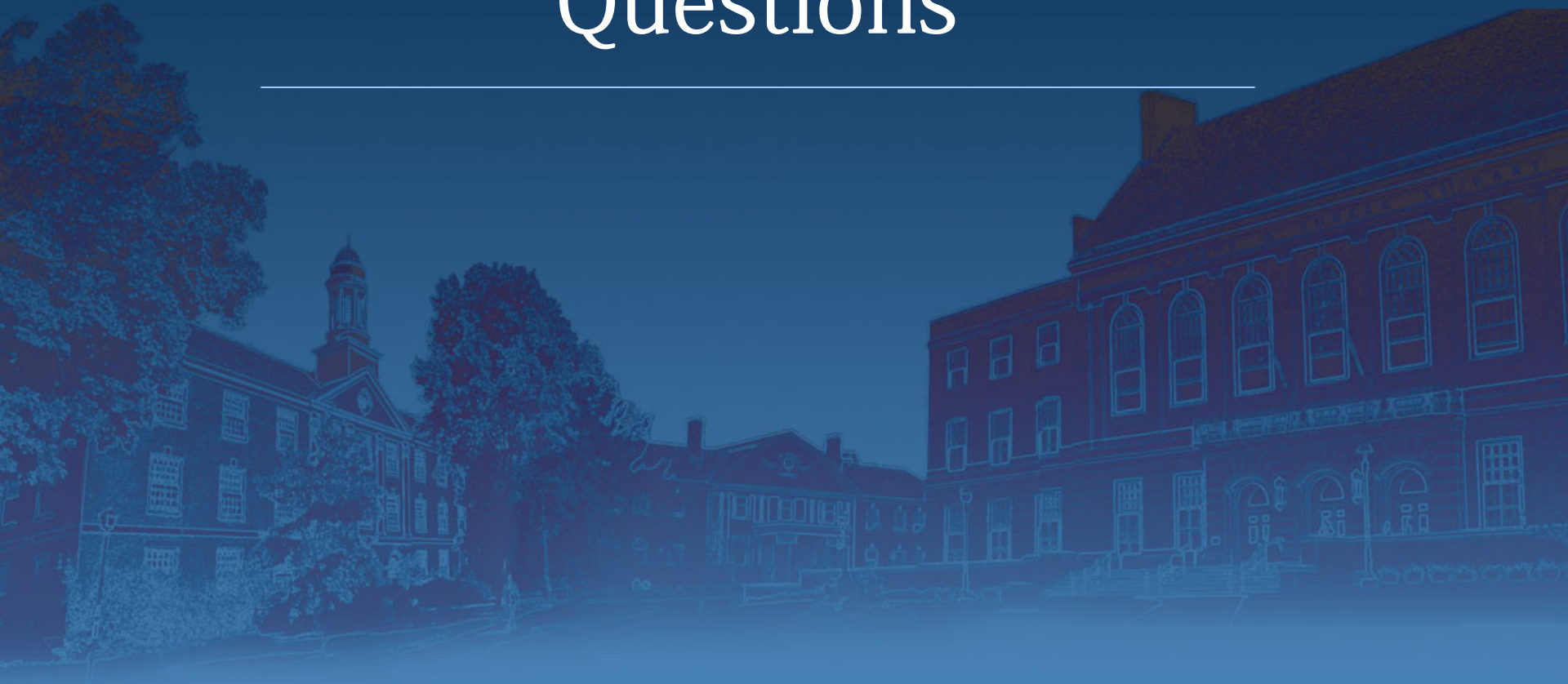
29%

FY09 E&G Base Budget (all funds)

Total: \$215.3M



Questions



UMaine Fiscal Pressures - FY09



▶ Appropriation Curtailment (one-time)	(4,115,105)
▶ System Operating Investment Loss	(1,260,698)
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▶ Total Mid-Year UMaine Curtailment	(5,375,803)
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▶ Loss of System Capital Project Funds	(1,600,000)
▶ Re-Distribution of Bond Funds (capital projects)	(800,000)
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▶ Estimated Short-Term Investment Loss (gifts)	(1,000,000)
<hr/>	
▶ Loss in Perkins Loan Available Funding	(1,300,000)
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▶ Loss in FAME Funding	(280,044)
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Total	(10,355,847)

UMaine Fiscal Pressures

Unknowns ? ? ?



State Appropriation

More? Less?

Enrollment

Collective Bargaining

Restructuring through
Task Force Actions

Investment Income

More? Less?

Good News



Maine Economic Improvement
Fund (MEIF) held constant

Stimulus Funding distribution
(UMS total, one-time)

FY09 – \$6.5M

FY10 – \$4.6M

FY11 – \$4.6M





Energy Price Stability & Savings

Bond Funding Reinstated

Potential Bond \$ \$ \$

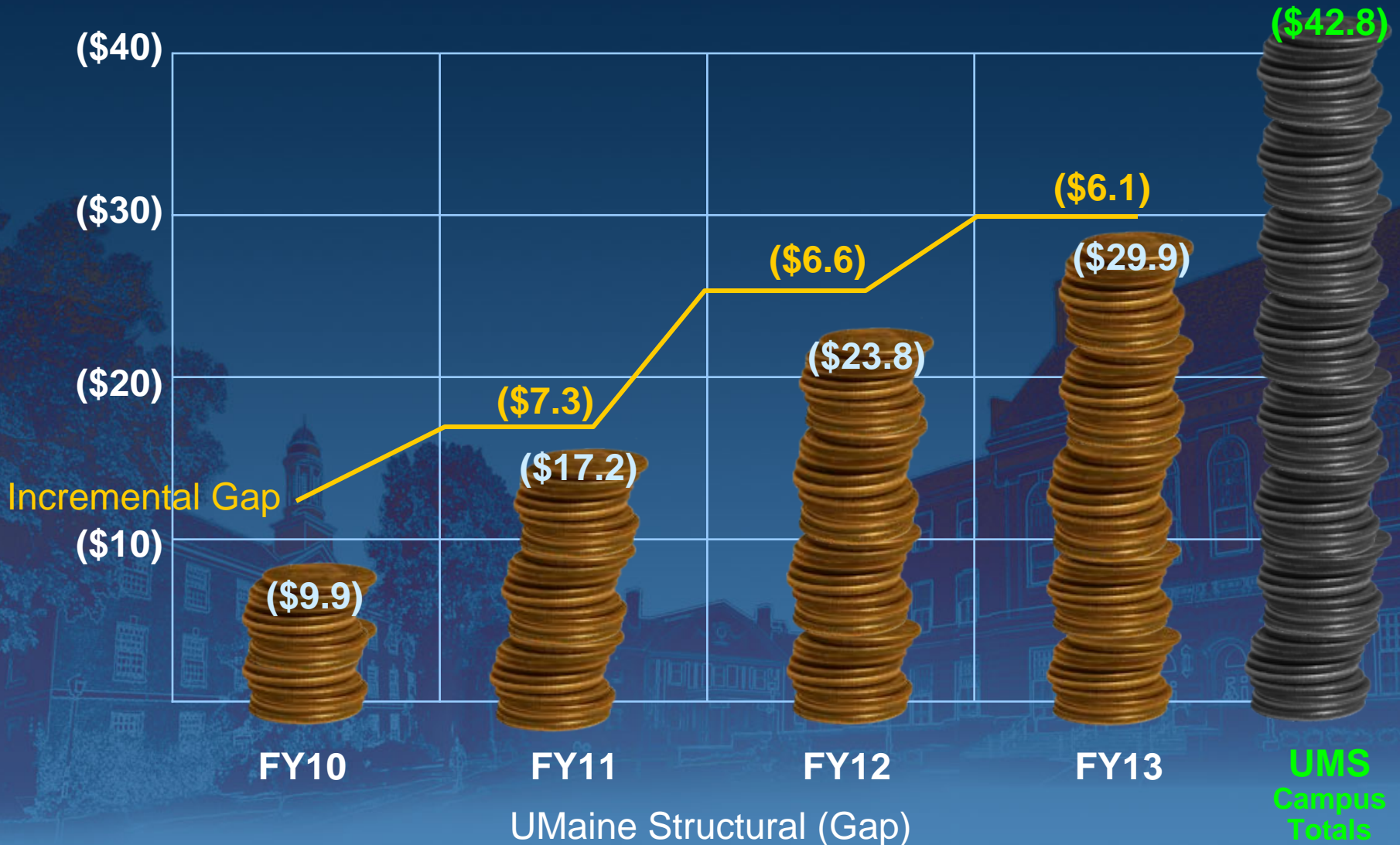
UMaine Fiscal Pressures FY10



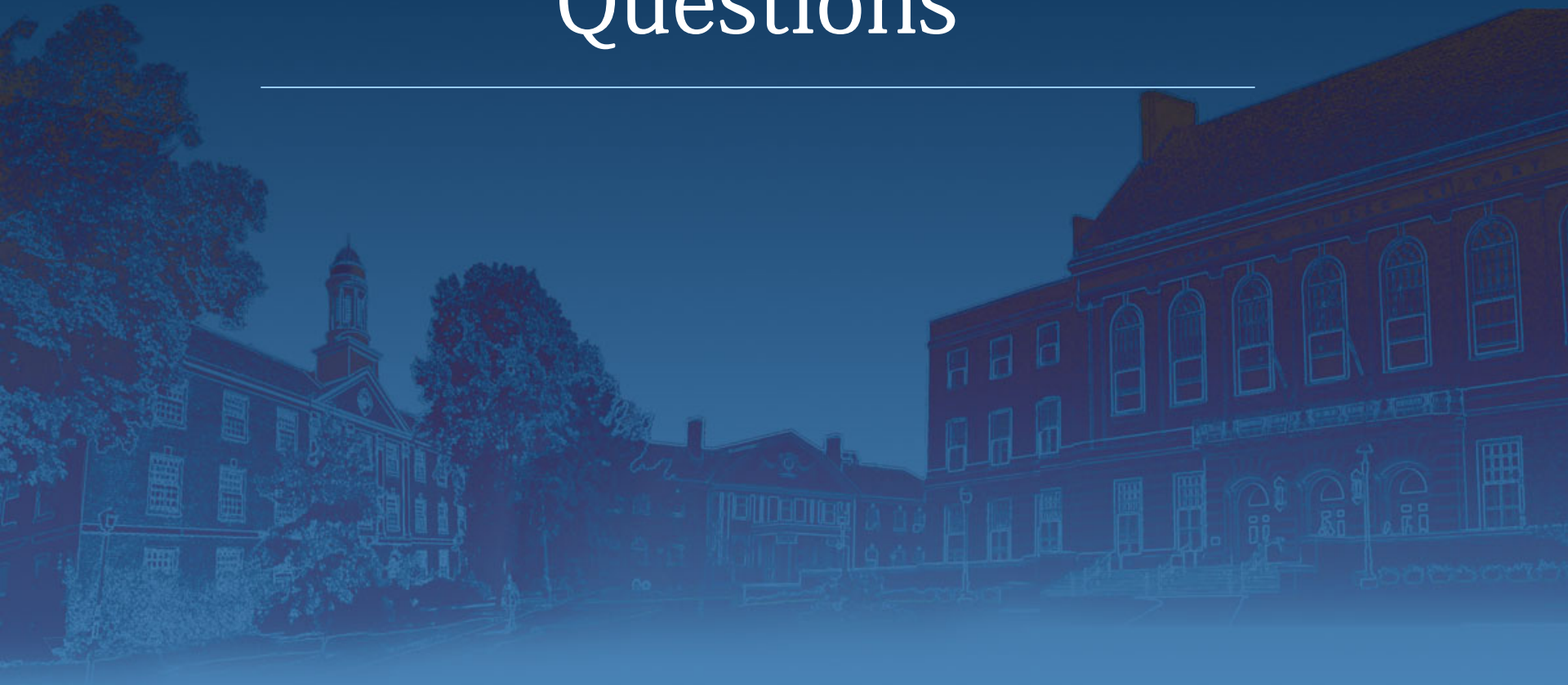
	Base Appropriation Curtailment (2.7%)	(2,379,575)
	Base System Investment Income Reduction	(1,285,907)
	Re-distribution of System Operating Gap	(700,000)
	Reduction in Enrollment Forecast	(953,070)
	Loss in UMaine Foundation Endowment Payovers	(3,752,006)
	Loss in System Endowment Payovers	(365,833)
	Loss in Pulp & Paper and 4H Foundation Payovers	(400,000)
	Loss in Perkins Loan Available Funding Cumulative since FY2008 (\$2.5M)	(1,200,000)
	Loss in FAME funding Cumulative since FY2008 (\$363K)	(83,067)
	Total	(11,119,458)

UMaine Multi-Year Projections

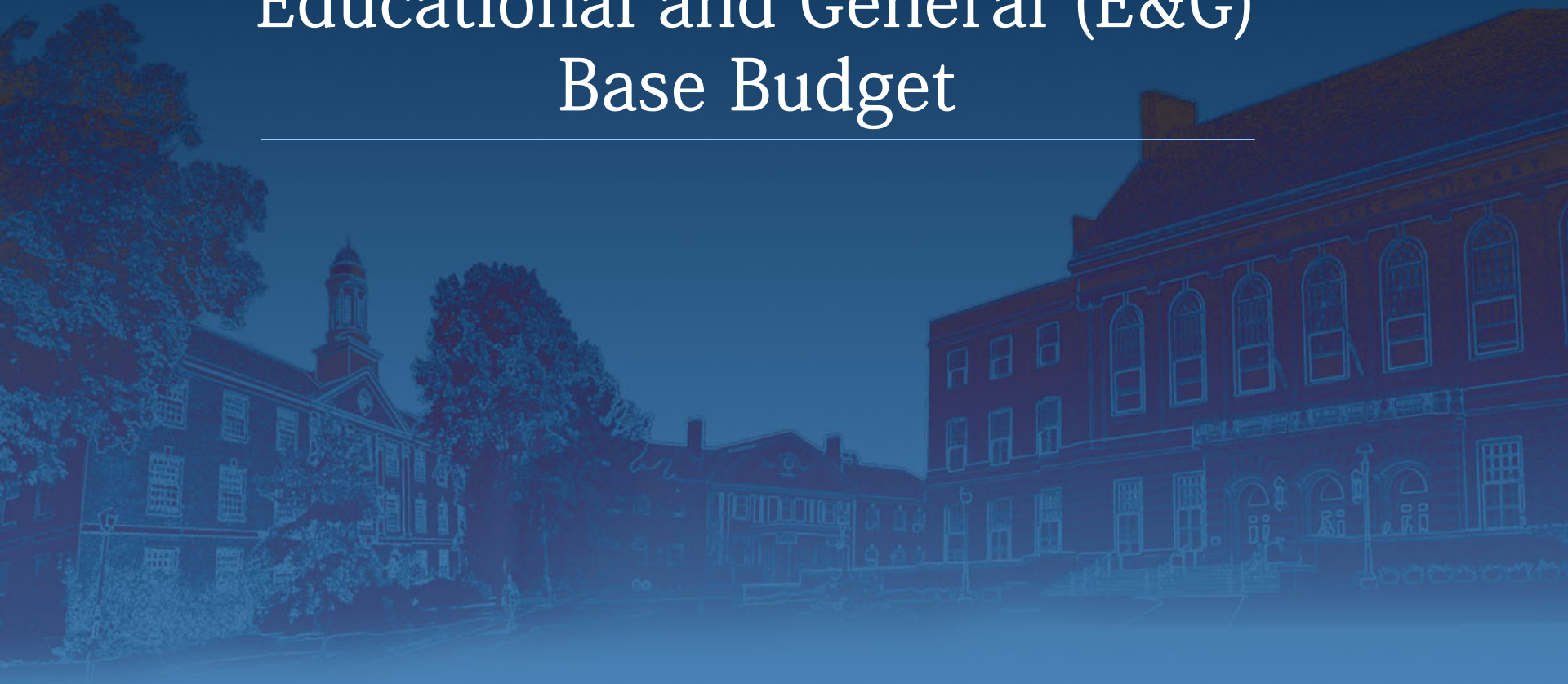
Incremental Gaps FY10 - FY13 (E&G, Auxiliaries & Designated)



Questions



Building the FY2010 Educational and General (E&G) Base Budget



University of Maine Sensitivity Analysis FY10

Educational & General (E&G)

Compensation (Salaries, Wages & Benefits)	(6,564,719)
Student Financial Aid (6%)	(901,931)
Student Financial Aid (Addt'l Needed)	(500,000)
Basic On-Going Needs	(1,250,000)
Increased Funding Needs	(400,000)
Curtailment / On-Going De-Appropriation (2.7%)	(2,379,575)
Redistribution – Investment Income Reduction	(1,285,907)
Redistribution – SWS Gap	(700,000)
Sub-Total Expense, Curtailment and Re-Distribution:	(13,982,132)
Tuition Net of Waivers (6%) (holding budgeted CRH at FY09 Level)	5,181,402
Reduction in 1 st Year Applications & Retention	(953,070)
Facilities & Administration Recovery Increase (ICR)	100,000
Unified Fee Revenue Increase (6%)	800,000
Sub-Total Central Revenue Sources:	5,128,332
FY10 Projected Revenue / Expense Gap:	(8,853,800)

University of Maine Sensitivity Analysis FY10

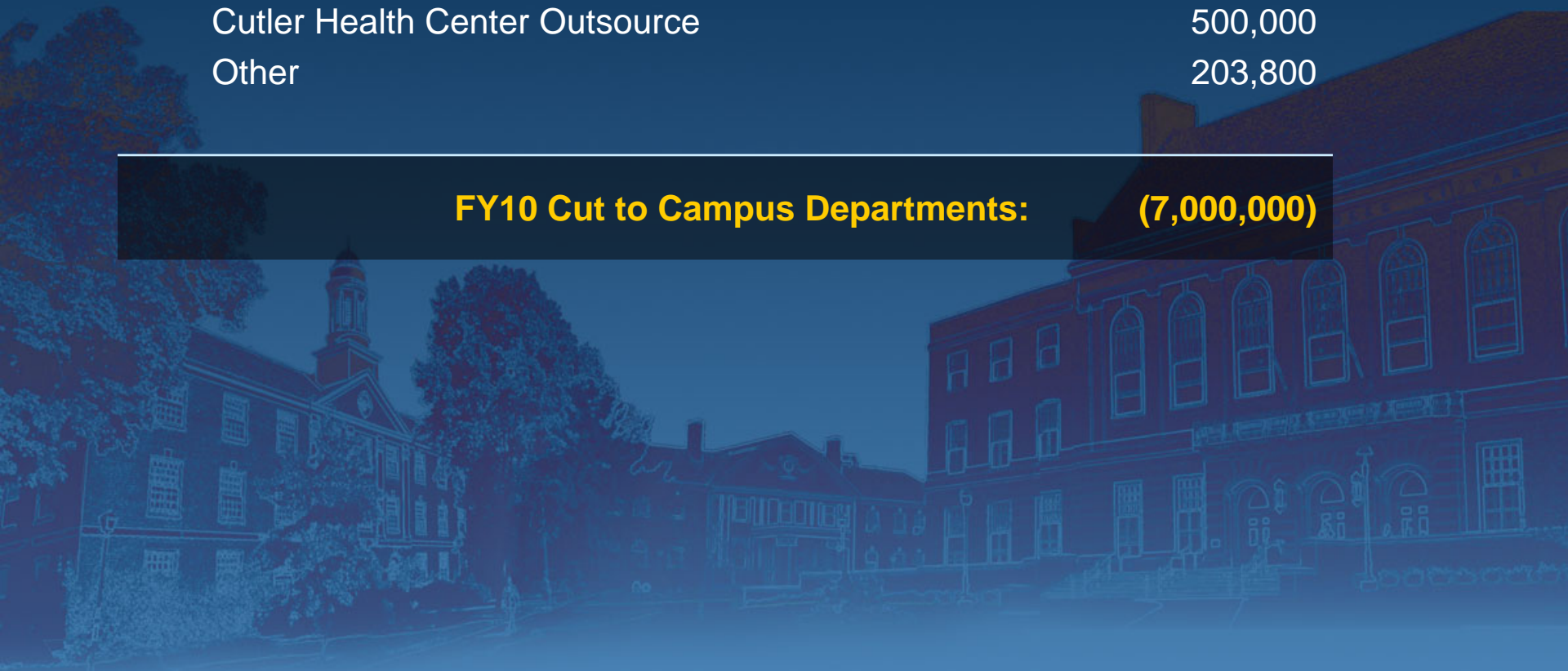
Educational & General (E&G)

FY10 Projected Revenue / Expense Gap: (8,853,800)

Campus-wide Savings / Reductions

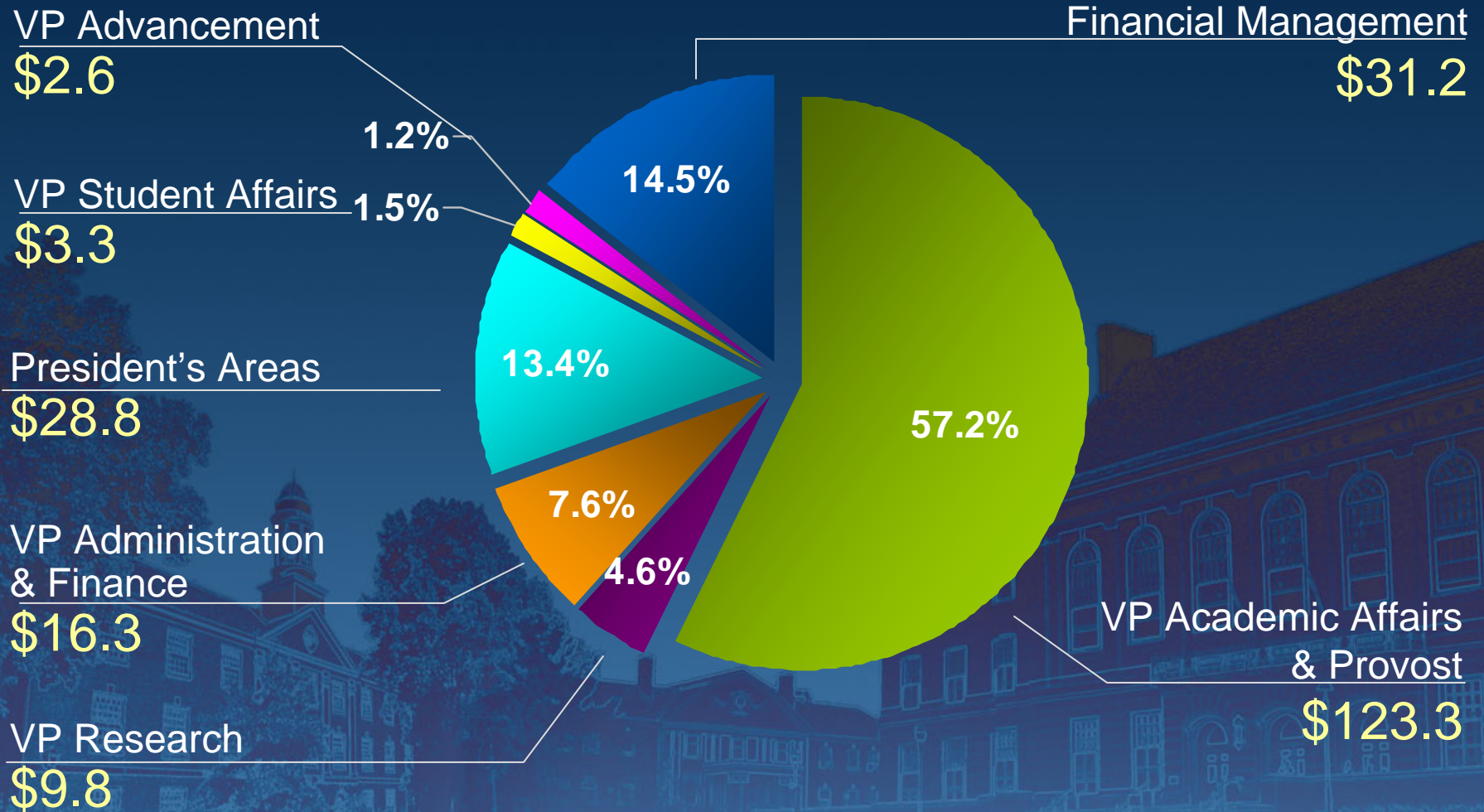
Energy Procurement Savings	1,150,000
Cutler Health Center Outsource	500,000
Other	203,800

FY10 Cut to Campus Departments: (7,000,000)



FY09 Area E&G Base Budgets

\$215.3



Modeling the Cut at \$7M

Using FY09 E&G Base Expenditure Budgets

FY10

Off the Top Reductions 1,853,800

VP Academic Affairs & Provost 4,900,780

President's Areas 860,597

VP Administration & Finance 672,893

VP Research 253,358

VP Student Affairs 168,896

VP Advancement 143,476

Total Campus Cuts \$8,853,800

Subtotal
\$7,000,000

FY09 Area E&G Base Budgets

\$215.3



VP Academic Affairs & Provost

Fogler Library
Honors College
Graduate School
Museums (UMMA, Hudson)
Institutional Studies
VPAA Office

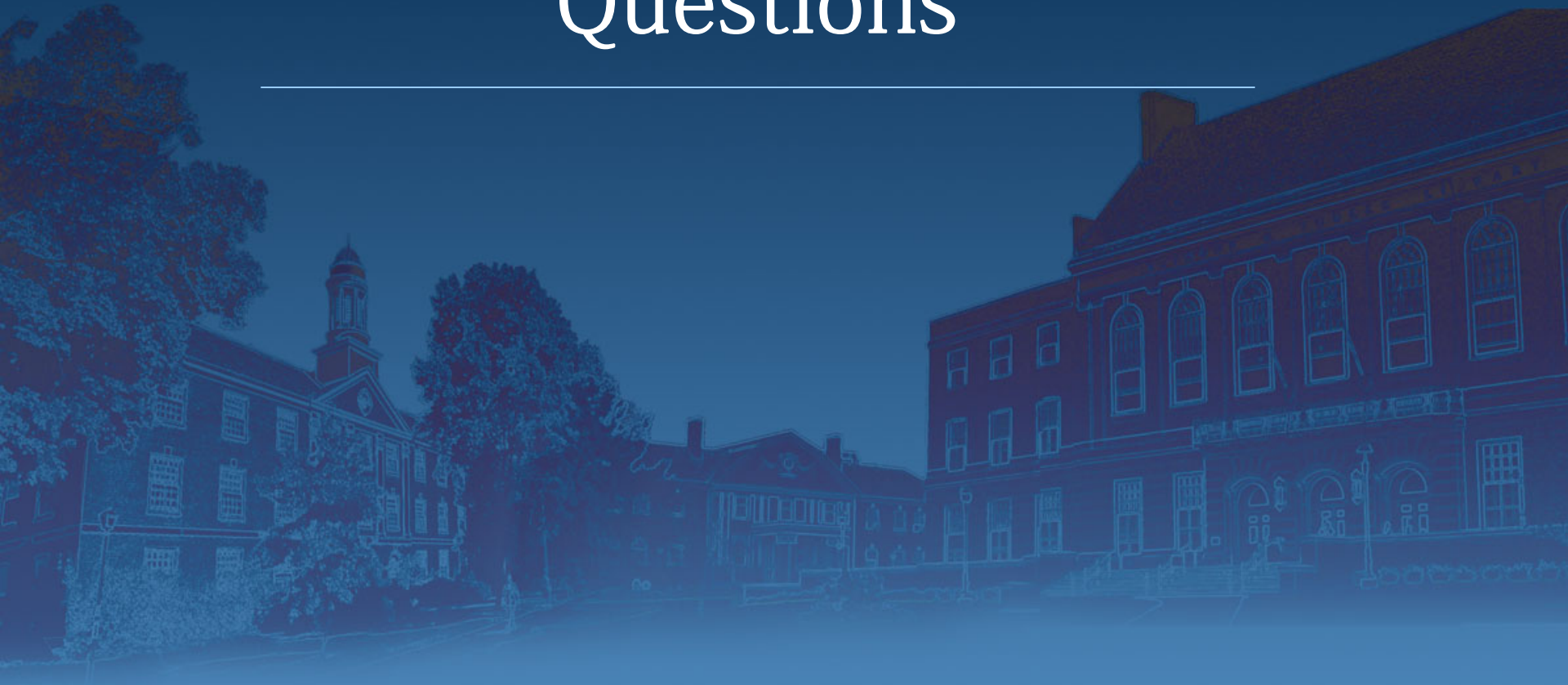
Admissions
Office of Student Financial Aid
Office of Student Records
International Programs
Center for Teaching Excellence
Explorations

Col. of Liberal Arts & Sciences	26.2M
Col. of Natural Sciences, Forestry & Ag.	22.8M
● VP Academic Affairs & Provost	18.5M
Col. of Engineering	10.5M
Cooperative Extension	9.0M
Student Financial Aid	8.4M
Col. of Education & Human Development	7.7M
Col. of Business, Public Policy & Health	7.3M
Division of Lifelong Learning	6.5M
● Assoc. Provost & Dean for Undergrad. Edu.	5.1M
Hutchinson Center	1.3M

Total VPAA & Provost 123.3M

Total Base Budget includes Sales & Services

Questions



Projected Student Annual Costs* for AY09-10

Undergraduate (30 credits per year)

	In-State		Out-of-State	
	AY09-10	AY08-09	AY09-10	AY08-09
Tuition	7,620	7,170	21,840	20,580
Fees	2,036	1,930	2,036	1,930
Room & Board	8,348	8,008	8,348	8,008
Total	18,004	17,108	32,224	30,518
Combined Increase	\$896	(5.24%)	\$1,706	(5.60%)

* Subject to BOT approval

Projected Student Annual Costs* for AY09-10

Graduate (18 credits per year)

	In-State		Out-of-State	
	AY09-10	AY08-09	AY09-10	AY08-09
Tuition	6,822	6,426	19,620	18,504
Fees	1,000	950	1,000	950
Room & Board	8,348	8,008	8,348	8,008
Total	16,170	15,384	28,968	27,462
Combined Increase	\$786	(5.11%)	\$1,506	(5.49%)

* Subject to BOT approval

Internal Timeline

February 2009

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March 2009

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2009

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2009

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Late February

Colleges & major divisional areas given budget cut targets

March

General information regarding how the targeted cuts will be met are submitted to the Budget Office

April-May

Work with Departments to complete FY10 budget details

May 18th

Trustees approve budget and student charges for FY10

May 31st

FY10 budgets must be completed in PeopleSoft



THE UNIVERSITY OF MAINE

Available after March 30th Presentation at
www.umaine.edu/admin_finance/FY10.htm



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