



Fiscal Year 2021 Budget Review

with Finance, Facilities, & Technology Committee of BOT

March 25, 2020

Joan Ferrini-Mundy, *President*

Faye Gilbert, *Interim Executive Vice President
for Academic Affairs and Provost*

Daniel Qualls, *Interim Vice President and
Head of Campus (Machias)*

Claire Strickland, *Chief Business Officer*

Acknowledgements

Thanks to Claire Strickland, Sharon Buchanan, Margaret Nagle, Jeff St. John, Deb Allen, and all members of the UMaine President's Cabinet for their extraordinary efforts in collaborating to prepare this presentation.



McGill named one of the most cited researchers in the world

December 16, 2019

University of Maine professor of biological sciences Brian McGill, whose research focuses on modeling large-scale ecology and global change, has been named one of the 2019 Highly Cited Researchers worldwide, according to the Web of Science Group.

The 2019 Highly Cited Researchers list identifies researchers who produced multiple scientific papers ranking in the top 1% by citations for their field and year of publication, demonstrating significant influence among their peers. Highly Cited Researchers make up just 0.1% of all researchers.

The 2019 Highly Cited Researchers list of more than 6,200 "contributes to the identification of that small fraction of the research population that contributes disproportionately to extending the frontiers of knowledge and gaining for society

Maine Harvest for Hunger Statewide Yearly Totals Since Inception



Maine Harvest for Hunger reaches 3 million pounds of produce donated for those in need

September 20, 2019

Since 2000, Maine Harvest for Hunger, a program coordinating with Cooperative Extension, has distributed more than 3 million pounds of produce to those in need.

This year, the program donated more than 193,000 pounds of produce from farms in the state. The donations went to 207 hunger-relief organizations.

Maine Harvest for Hunger had 365 volunteers this year, including 100 gardeners, and eight corporate partners from 12 counties. The value of the produce they harvested is estimated at \$1.5 million.

According to the [USDA Economic Research Service](#), Maine is the largest producer of apples in the United States.



Goals for 2020 **UMAINE BASKETBALL**
Special supplement INSIDE Men's win emotional for Lebanese senior, parents PAGE B4

Bangor Daily News

Statewide edition **BDN bangordailynews.com** Friday, January 17, 2020 \$1.25

UM signs deal to breed fish for proposed Jonesport farm

Facility plans to produce 13M pounds of yellowtail a year

BY BILL TROTTER BDN STAFF

A Dutch aquaculture firm that plans to build a \$110 million land-based fish farm in Jonesport has reached an agreement with the University of Maine to use space at the school's aquaculture incubator to breed and hatch fish that the company then will grow to market size. Kingfish ZeeLand has an option to acquire a 64-acre oceanfront parcel of land overlooking Chandler Bay on Route 187, a few miles east of Jonesport's main village. If it gets the necessary regulatory approvals, it plans to build a facility on the site within the next couple of years that would produce around 13 million pounds of yellowtail fish a year for the North American seafood market, with possible expansion sometime later. The firm, which already has a land-based yellowtail farm in the Netherlands, has signed a lease with UM's Center for Cooperative Extension.

State Emotions run high at final public hearing on Belfast salmon farm proposal PAGE B1

creative Aquaculture Research in Franklin, roughly 50 miles away from the planned development site, to develop the broodstock — mature individuals of a species used for breeding — for the fish farm. UM already has a broodstock of the species, SeaStar Island, that Kingfish ZeeLand will use to help develop its own breeding population that will support an expected annual production in Jonesport of 13 million pounds, according to Megan Scoby, an operations manager for the Dutch firm. She said Thursday that Kingfish also plans to bring some of its own fish from the Netherlands to supplement development of its Maine broodstock. Kingfish plans to develop its own hatchery in Sea Star, Page A4



Presiding officer Supreme Court Chief Justice John Roberts (right, center) swears in members of the Senate for the impeachment trial of President Donald Trump at the U.S. Capitol on Thursday.

Senators swear 'impartial justice' for Trump trial

Conflict over witnesses intensifies amid new claims

BY LISA MARGARO THE ASSOCIATED PRESS

WASHINGTON — The U.S. Senate opened the impeachment trial of President Donald Trump with quiet ceremony Thursday, senators standing at their desks to swear an oath of "impartial justice" as jurors on the president's fate. House prosecutors recited the charges, and Chief Justice John Roberts presided in his high Supreme Court robe. The trial, only the third such undertaking in American history, is unfolding at the start of the election.

Inside Watchdog: White House violated law in freezing Ukraine aid PAGE C6

Ukraine opens probe into possible surveillance of ambassador PAGE C6

SENATE TELEVISION AND HOUSE IMPEACHMENT MANAGER REP. ADAM SCHIFF, D-CALIF., reads the articles of the impeachment against President Donald Trump in the Senate on Thursday.



the Supreme Court to the Capitol. He has long insisted judges are not politicians and is expected to serve as a referee for the proceedings rather than an active participant. "Will all senators now stand, and remain standing, and raise their right hand," Roberts said. "Do you solemnly swear that in all things pertaining to the trial of the impeachment of Donald John Trump, president of the United States, now pending, you will do impartial justice according to the Constitution and laws, so help you God?" The senators responded they would, and then they lined up to sign an oath of office. Trump faces two charges after the House voted to

UMaine online MBA and graduate education programs ranked among best in the nation

January 14, 2020

Two University of Maine online graduate programs have been ranked among the best in the nation by U.S. News & World Report.

The [MaineMBA](#) ranked No. 47 in online master of business administration programs and the online graduate program in education tied for No. 60.

The MaineMBA ranking is up from No. 90 in 2019 and represents the third straight year of improvement for the business graduate program. The education program in education also is higher in the annual ranking, moving from No. 15 last year.

U.S. News & World Report rankings are based on five categories, including academic excellence, expert opinion, faculty credentials and training, and technology.

The University of Maine School of Education and Human Development offers several online graduate certificates and master's degrees in the areas of [instructional technology](#); [instructional technology](#); and [special education](#) through the College of Education and Human Development.

The School of Business offers several concentrations as part of its online MBA, including [accounting](#), [business analytics](#) and [finance](#). For more information, visit [umaine.edu/mba](#).





Addressing COVID-19 on the University of Maine and UMM Campuses

- Faculty and staff converted over 3,200 course sections to on-line/remote formats
- Involving faculty leaders in problem solving and decision making
- Consistently student-centric in everything we do
- Intensive and creative strategies in recruiting the class of 2024



- UMM and UMaine reinvigorating collaboration in retention and enrollment, inviting UMaine admits from small towns to consider UMM
- Providing supplies, faculty, staff, and research assets as needed to healthcare providers, small businesses, and the state; readying empty dorms
- Pausing sabbatical approvals, scrutinizing all reappointments and personnel actions as guidance is finalized
- Partnering with UMaine Foundation

STUDENT CRISIS FUND

\$57,331

76% Funded

\$75,000 Goal

242 Donations

36 days Remaining

GIVE NOW



Recruitment and Support

- virtual tours replace accepted student days :
[\(https://www.youtube.com/watch?v=tCfXcrQAOK8&\); https://umaine.edu/business/accepted/](https://www.youtube.com/watch?v=tCfXcrQAOK8&)
- On-line and virtual services, support, and programs developed by the counseling center, the career center, the center for student involvement and recreation programs

Retention

- Colleges and faculty are asking students to download NAVIGATE to use Study Buddies as we move to remote classes
- The Student Life Dean's Office and Residence Life have successfully transitioned some 3,500 students while still providing services for some 300 students housed in various settings around campus



State Impact

- 220 farms listed with Cooperative Extension to form a directory of local farm products and pick-up options
- Cooperative Extension 4-H has created new online educational resources , **“Learn at Home”**
<https://extension.umaine.edu/4h/learn-at-home/> for parents, caregivers and students

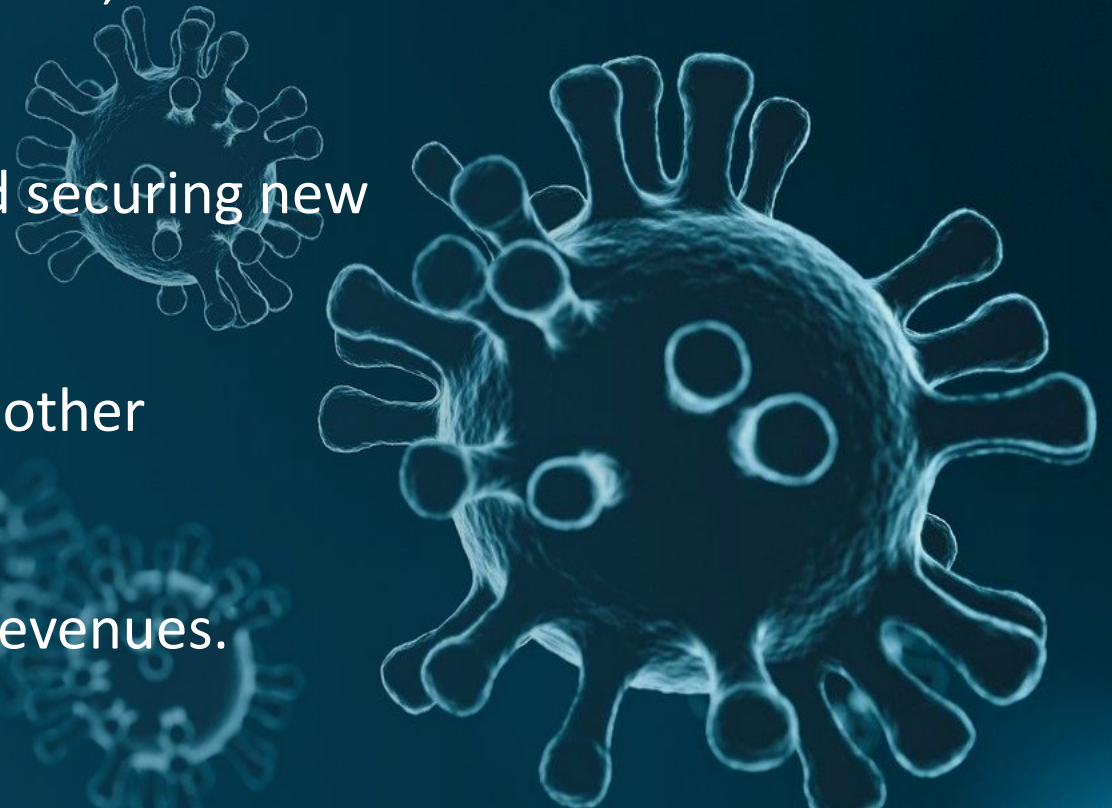
Pedagogy

- Faculty in dance will have students recording dance moves and exercises
- Emeritus faculty taped classes last week to be ready
- Hundreds of faculty accessing CITL services



Concerning Impacts of COVID-19 on the University of Maine and UMM Campuses

- A conservative current fiscal year impact (non-labor) on both campuses could approach \$12M-\$15M.
- Retention of current students is a primary concern, as is the fall incoming class of 2024.
- Asking faculty to continue their grant work and securing new grants in uncertain conditions, results unclear.
- Real possibility of losing faculty researchers to other institutions.
- Impact on Division 1 Athletics and associated revenues.

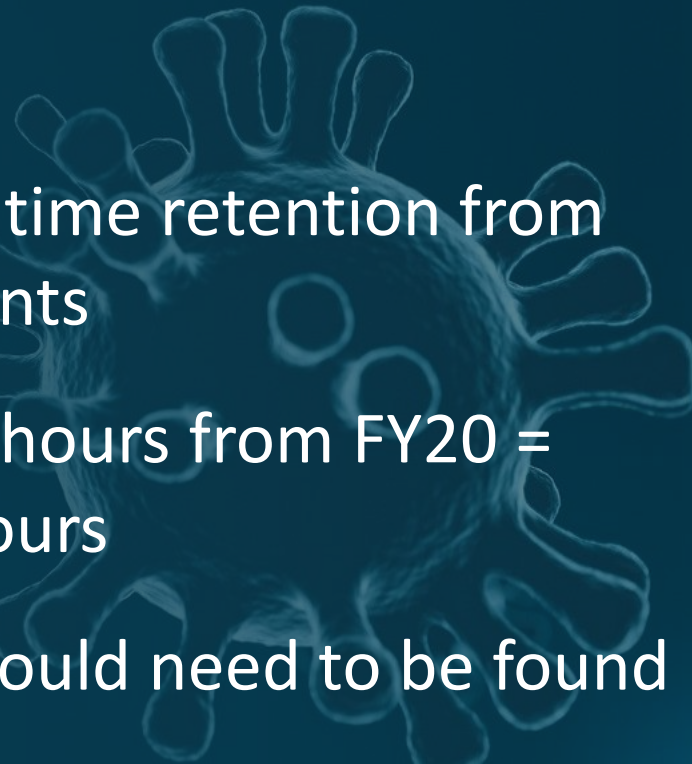




Scenario Based on National Projections as of 3/25: Disturbing Implications



- 17% projected loss in the first year class = 366 students
 - 146 in-state
 - 186 out-of-state
 - 34 NEBHE
- A drop of first year full time retention from 74% to 70% = 80 students
- 5% drop in total credit hours from FY20 = loss of 14,494 credit hours
- An additional \$8.8M would need to be found





The Bottom Line Up Front for the University of Maine.

- The University of Maine FY2021 E&G budget is \$228,086,354.

- The campus has realigned the base budget by \$8M.

- An attrition line of \$1M was included in expense with a projected \$3.66M transfer from reserves to balance.

- The University of Maine FY2021 auxiliary services budget is balanced at \$52,584,819.



Proposed Education and General (E&G)

Total Revenue	228,086,354
Total Expense	<u>(241,383,916)</u>
Operating Decrease	(13,297,562)
Add Back Depreciation	16,820,624
Less Capital & Debt Service	<u>(7,185,665)</u>
Net change before reserve adjustment	(3,662,603)
Transfer from Reserves	<u>3,662,603</u>
FY2021 Total Net Change	0

Proposed Auxiliary (AUX)

Total Revenue	52,584,819
Total Expense	<u>(51,612,707)</u>
Operating Increase	972,112
Add Back Depreciation	3,949,283
Less Capital & Debt Service	<u>(4,921,395)</u>
Net change before reserve adjustment	(972,112)
Transfer from Reserves	<u>0</u>
FY2021 Total Net Change	0



The Bottom Line Up Front for the University of Maine at Machias

- The University of Maine at Machias FY2021 E&G budget is \$8,566,058.

- The campus has reduced the budget by \$464,190.

- An attrition line of \$125K was included in expense with a projected \$145K transfer from reserves to balance.

- The University of Maine at Machias FY2021 auxiliary services budget is balanced at \$1,629,729.



Proposed Education and General (E&G)

Total Revenue	8,566,058
Total Expense	<u>(9,023,962)</u>
Operating Decrease	(457,904)
Add Back Depreciation	483,520
Less Capital & Debt Service	<u>(170,616)</u>
Net change before reserve adjustment	(145,000)
Transfer from Reserves	<u>145,000</u>
FY2021 Total Net Change	0

Proposed Auxiliary (AUX)

Total Revenue	1,629,729
Total Expense	<u>(1,688,170)</u>
Operating Increase	(58,441)
Add Back Depreciation	278,822
Less Capital & Debt Service	<u>(220,381)</u>
Net change before reserve adjustment	58,441
Transfer from Reserves	<u>0</u>
FY2021 Total Net Change	0



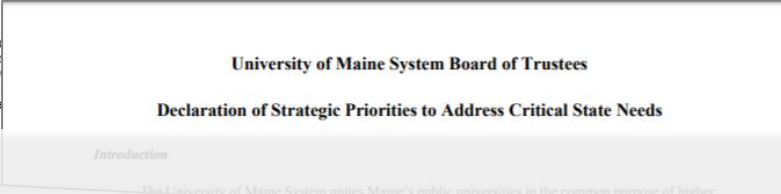
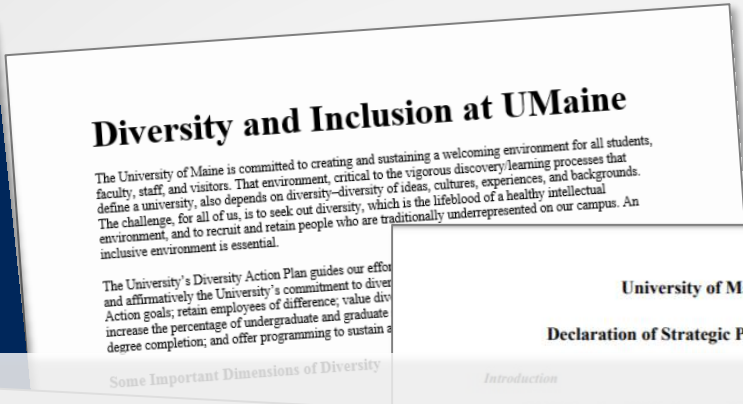
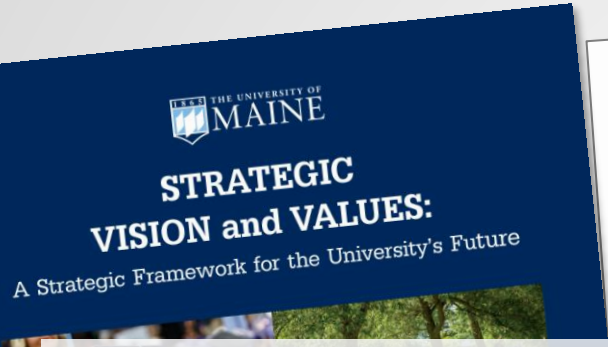
- Budget Building Principles

- Overview of UMaine and UMM FY2021 Budgets

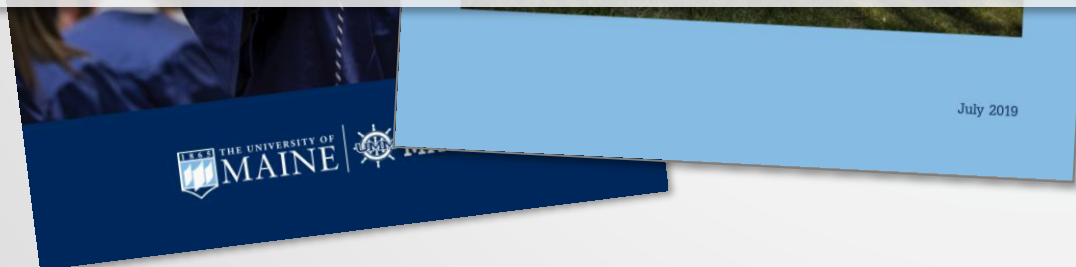
- FY2021 Budget Challenges and Opportunities



Budget Building Principles



- We are guided by our mission, vision, and strategic values.
- We are a vital part of the State's economic and talent development.
- The campuses are seeking creative and bold approaches to reach fiscal stability.
- We must invest strategically and build on our strengths.





Our strength in research in the biomedical fields is taking off.

Professor Dorothy Klimis-Zacas

Food Science and Human Nutrition

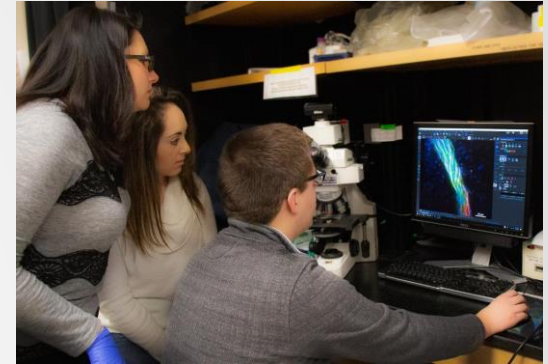
Wild blueberry extracts to help build new blood vessels



Professor Kristy Townsend

School of Biology and Ecology

Discovered potential process to promote nerve re-growth



PhD Candidate Jonathan Bomar

GSBSE Program

Growing stem cells to replace damaged cardiac cells

From Basic Research to UMaine Spin-off

graduate student
Magdalena Blaszkiewicz

A new start-up company



Neuright's product will be a small medical device that is painless and easy to use. In their offices, primary care providers will be able to monitor patients for neuropathy with this device.



Our research partnership with Oak Ridge National Laboratory will open new doors for UMaine students.



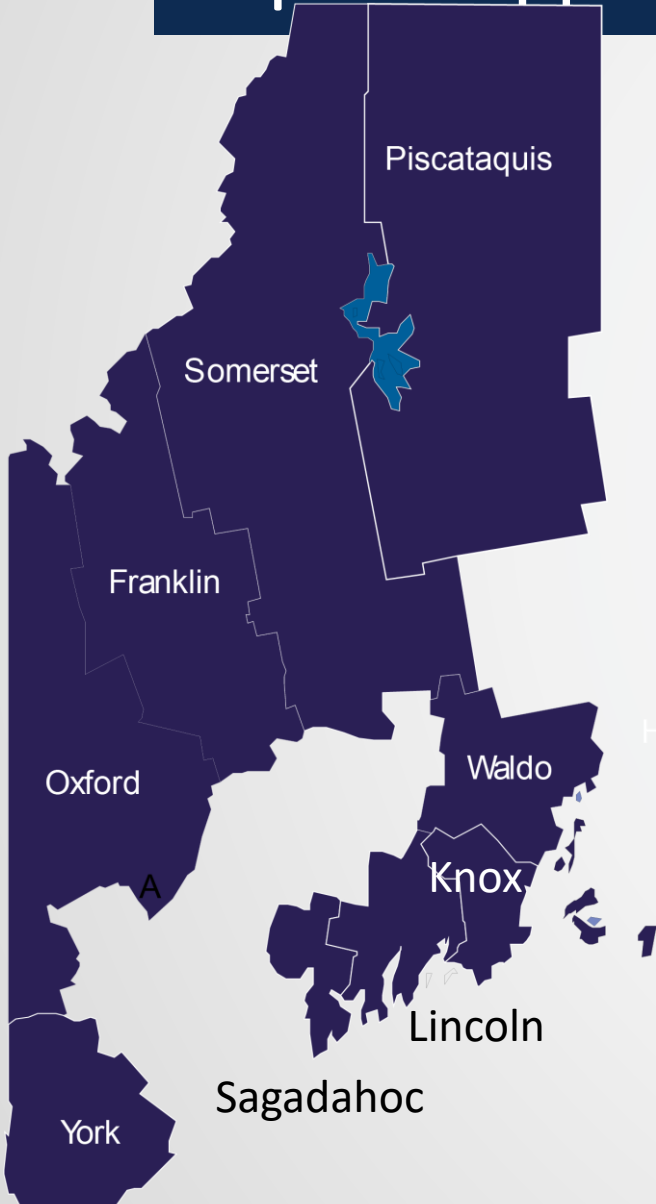
Collaborating at the cutting-edge in wood-based composites



Awarded: \$9,000,000
Duration: 10/1/19-9/30/22
Total F&A budgeted: \$2,502,975
Estimated F&A in FY2021: \$834,325
(based on annual average)

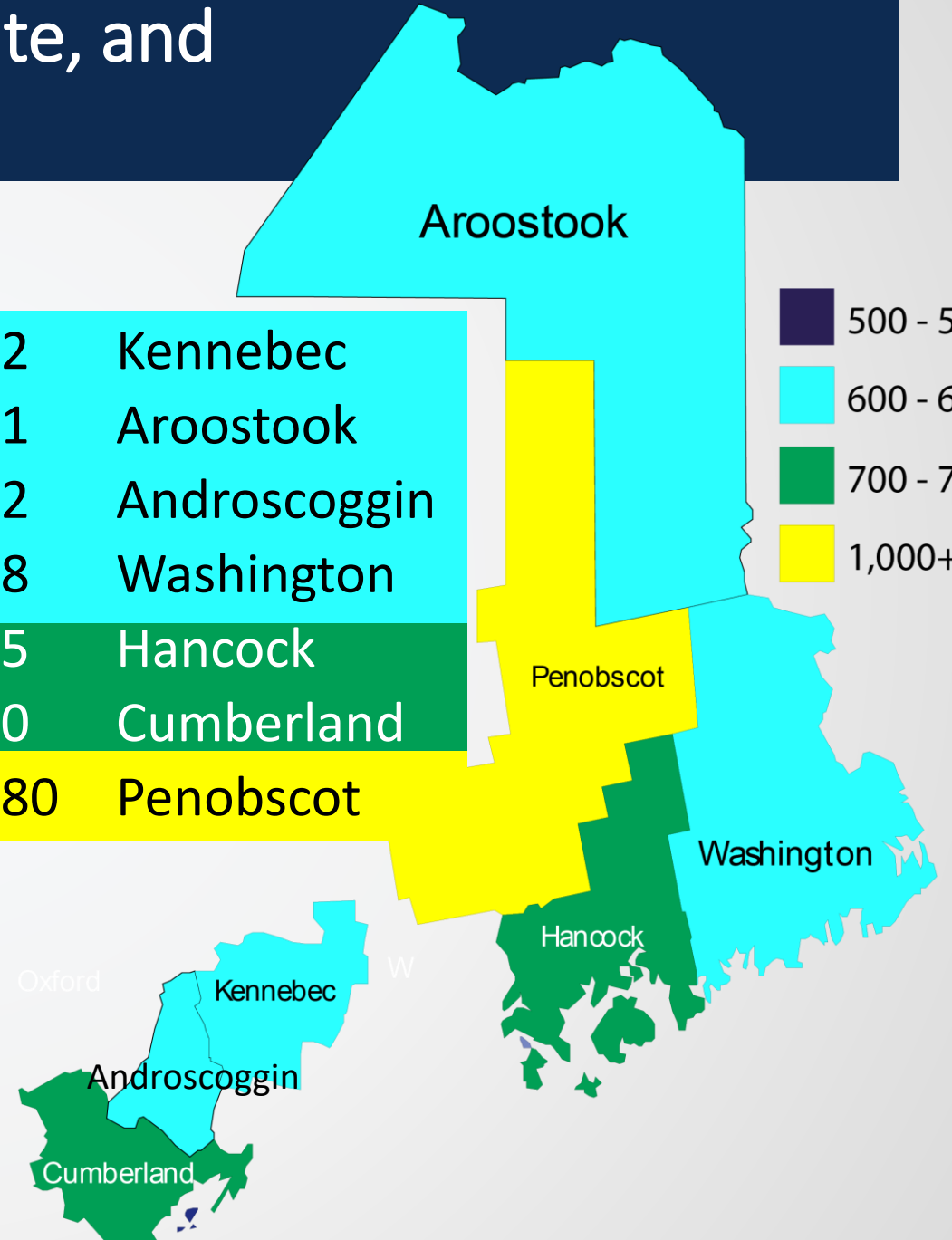


UMaine's partnerships span the state, and require support in key fields.



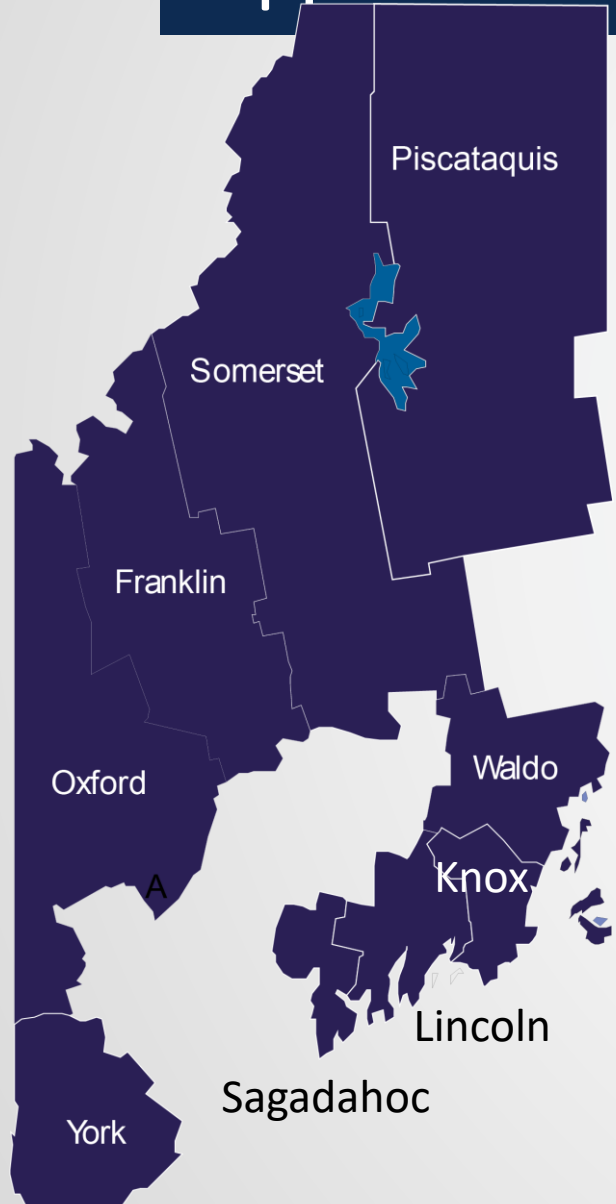
539	Sagadahoc
545	Franklin
546	Piscataquis
556	Somerset
557	Oxford
569	Lincoln
579	Knox
584	Waldo
587	York

612	Kennebec
621	Aroostook
642	Androscoggin
678	Washington
705	Hancock
770	Cumberland
1080	Penobscot



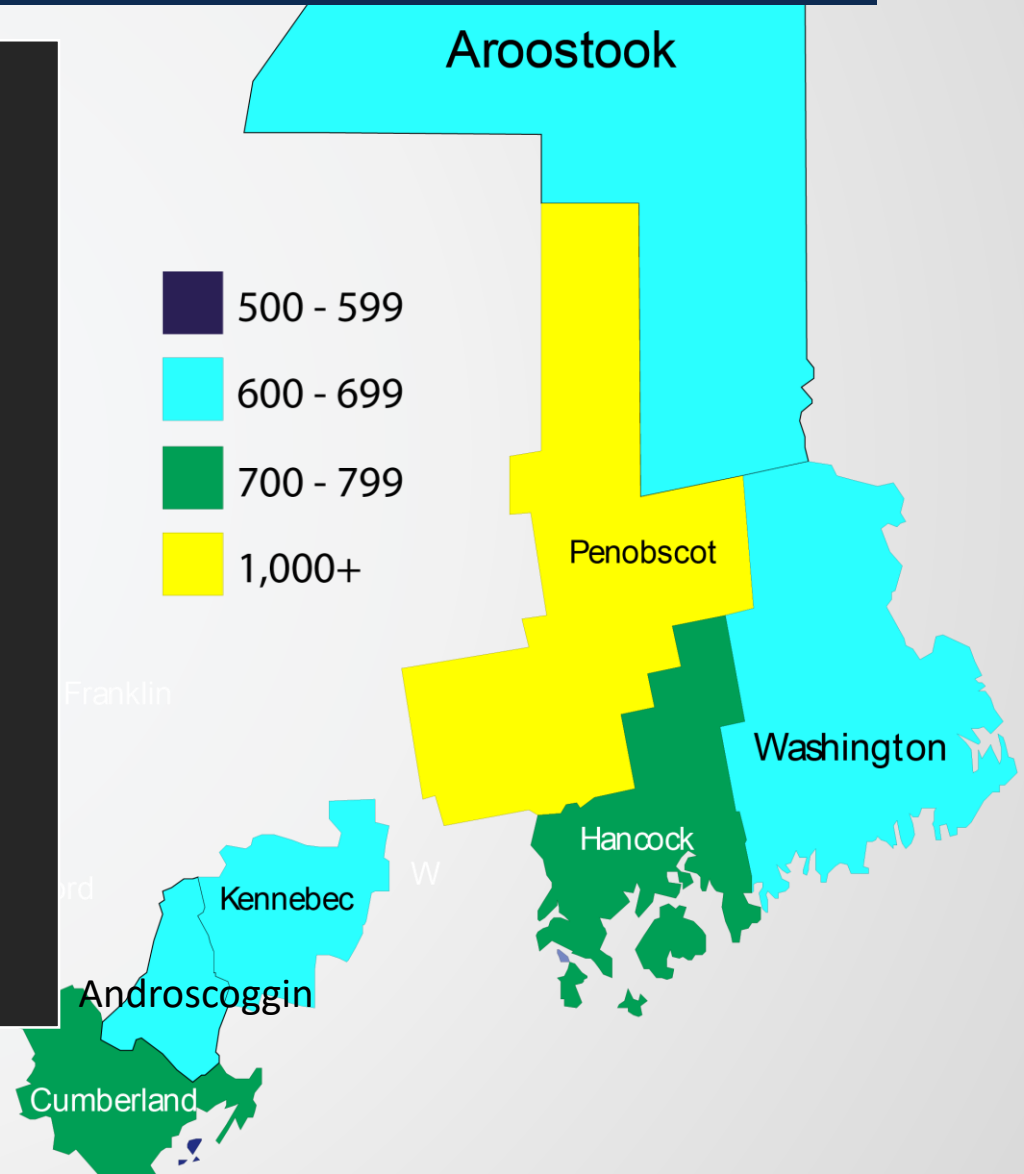


UMaine's partnerships span the state, and require support in key fields.



Partnership Type

50	Library
54	Farm
100	Government (Federal)
142	Government (Local)
193	Community Group
426	Hospital/Health Care
690	College/University
905	School (K-12)
1183	Other Organization Type
1378	Business
1924	Government (State of Maine)
2525	Non-Profit





Unified accreditation can amplify collaborations and lead to new ones.



Instructional

- UMaine Center for Innovation in Teaching and Learning (CITL) with USM, UMF, UMA & UMM
- UMaine/UMA Foundations program
- M.Ed. in Instructional Technology collaborative with USM and UMF
- UM Masters in Educational Leadership with UMPI
- Multiple 4+1, 3+2 Pathways to UMaine graduate programs
- Fogler Library - policies, shared catalog, shared resources/services UMS and state-wide
- Maine Professional and Graduate Studies Center (UMaine, USM & Law)



Unified accreditation can amplify collaborations and lead to new ones.



Research

- Grant proposal development and grant submissions and management assistance from UMaine, across UMS
- EPSCoR research collaboration Maine-eDNA
- 4-H STEM Ambassadors - all campuses
- UMFK Academic Archives, USM-LAC Franco American Collection with UM Franco American Portal Project



Overview of Budgets - UMaine



UMaine Comprehensive FY2021 Budget: E&G

		<u>FY2020</u>	<u>FY2021</u>	<u>\$ Change</u>	<u>% Change</u>
Revenue	Tuition & Fees	\$176,868,400	\$179,398,319	\$2,529,919	1.4%
	Less: Waivers/Scholarships	(58,258,672)	(61,717,666)	(3,458,994)	5.9%
	Appropriation	84,071,731	84,897,700	825,969	1.0%
	Indirect Cost Recovery	9,221,276	9,771,276	550,000	6.0%
	Sales/Services/Other	17,306,387	15,736,725	(1,569,662)	-9.1%
	Total E&G Revenue	\$229,209,122	\$228,086,354	\$(1,122,768)	-0.5%
Expense	Personnel Expense	146,907,779	150,335,165	3,427,386	2.3%
	Fuel/Electricity	10,376,676	10,167,537	(209,139)	-2.0%
	Supplies/Services	16,076,826	15,795,719	(281,107)	-1.7%
	Shared Services	19,781,945	20,732,805	950,860	4.8%
	Travel	2,863,397	2,742,621	(120,776)	-4.2%
	Maintenance & Alterations	4,549,237	4,748,131	198,894	4.4%
	Depreciation	15,946,215	16,820,624	874,409	5.5%
	Other Expense	21,704,653	20,041,314	(1,663,339)	-7.7%
	Total E&G Expense	\$238,206,728	\$241,383,916	\$3,177,188	1.3%
		Operating Increase (Decrease)	\$(8,997,606)	\$(13,297,562)	\$(4,299,956)
Modified CashFlow	Add back Depreciation	15,946,215	16,820,624	874,409	5.5%
	Less Capital Expenditures	(5,686,807)	(5,786,952)	(100,145)	1.8%
	Less Debt Service	(1,261,802)	(1,398,713)	(136,911)	10.9%
	Net Change:	0	(3,662,603)	(3,662,603)	
	Transfers from/(to) Budget Stabilization	0	0	0	
	Other Strategic Transfers from/(to) Reserves	0	3,662,603	3,662,603	
	Net Changes in Cash & Reserve Transfers	0	0	0	



UMaine Comprehensive FY2021 Budget: Auxiliary

		<u>FY2020</u>	<u>FY2021</u>	<u>\$ Change</u>	<u>% Change</u>
Revenue	Dining & Residence	\$39,731,748	\$40,733,936	\$1,002,188	2.5%
	Less: Waivers/Scholarships	(1,297,114)	(1,362,843)	(65,729)	5.1%
	Sales/Services/Other	13,114,619	13,213,726	99,107	0.8%
	Total Auxiliary Revenue	\$51,549,253	\$52,584,819	\$1,035,566	2.0%
Expense	Personnel Expense	18,661,888	19,958,525	1,296,637	6.9%
	Fuel/Electricity	3,882,185	4,054,865	172,680	4.4%
	Supplies/Services	12,113,461	12,026,925	(86,536)	-0.7%
	Travel	97,995	108,245	10,250	10.5%
	Maintenance & Alterations	3,043,606	3,171,896	128,290	4.2%
	Depreciation	3,657,981	3,949,283	291,302	8.0%
	Other Expense	8,541,715	8,342,968	(198,747)	-2.3%
	Total Auxiliary Expense	\$49,998,831	\$51,612,707	\$1,613,876	3.2%
	Operating Increase (Decrease)	\$1,550,422	\$972,112	\$(578,310)	-37.3%
Modified CashFlow	Add back Depreciation	3,657,981	3,949,283	291,302	8.0%
	Less Capital Expenditures	(1,282,700)	(1,219,168)	63,532	-5.0%
	Less Capital Reserve Funding	(1,137,951)	(1,138,461)	(510)	0.0%
	Less Debt Service	(2,787,752)	(2,563,766)	223,986	-8.0%
	Net Change:	0	0	0	
Transfers from/(to) Budget Stabilization		0	0	0	
Other Strategic Transfers from/(to) Reserves		0	0	0	
Net Changes in Cash & Reserve Transfers		0	0	0	



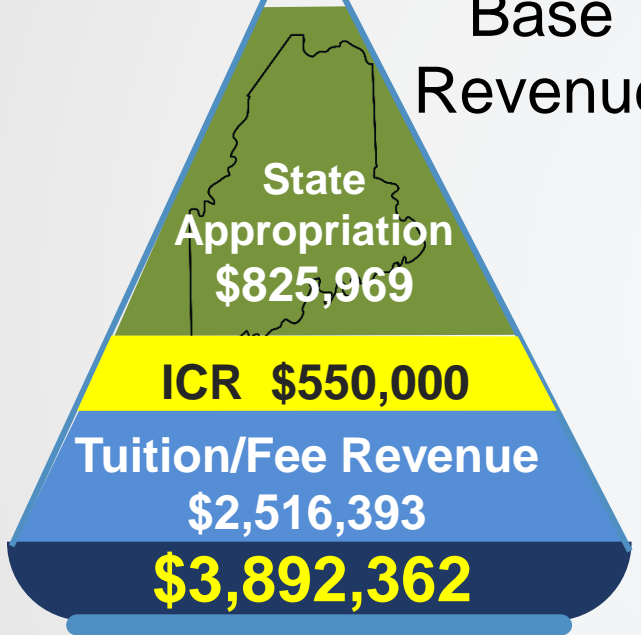
UM Comprehensive FY2021 Budget: E&G and Auxiliary

		<u>FY20</u>	<u>FY21</u>	<u>\$ Change</u>	<u>% Change</u>
Revenue	Tuition & Fees	\$176,868,400	\$179,398,319	\$2,529,919	1.4%
	Dining & Residence	39,731,748	40,733,936	1,002,188	2.5%
	Less: Waivers/Scholarships	(59,555,786)	(63,080,509)	(3,524,723)	5.9%
	Appropriation	84,071,731	84,897,700	825,969	1.0%
	Indirect Cost Recovery	9,221,276	9,771,276	550,000	6.0%
	Sales/Services/Other	30,421,006	28,950,451	(1,470,555)	-4.8%
	Total E&G_Aux Revenue	\$280,758,375	\$280,671,173	\$(87,202)	0%
Expense	Personnel Expense	165,569,667	170,293,690	4,724,023	2.9%
	Fuel/Electricity	14,258,861	14,222,402	(36,459)	-0.3%
	Supplies/Services	28,190,287	27,822,644	(367,643)	-1.3%
	Shared Services	19,781,945	20,732,805	950,860	4.8%
	Travel	2,961,392	2,850,866	(110,526)	-3.7%
	Maintenance & Alterations	7,592,843	7,920,027	327,184	4.3%
	Depreciation	19,604,196	20,769,907	1,165,711	5.9%
	Other Expense	30,246,368	28,384,282	(1,862,086)	-6.2%
	Total E&G_Aux Expense	\$288,205,559	\$292,996,623	\$4,791,064	1.7%
	Operating Increase (Decrease)	\$(7,447,184)	\$(12,325,450)	\$(4,878,266)	65.5%
Modified CashFlow	Add back Depreciation	19,604,196	20,769,907	1,165,711	5.9%
	Less Capital Expenditures	(6,969,507)	(7,006,120)	(36,613)	0.5%
	Less Capital Reserve Funding	(1,137,951)	(1,138,461)	(510)	0.0%
	Less Debt Service	(4,049,554)	(3,962,479)	87,075	-2.2%
	Net Change:	0	(3,662,603)	(3,662,603)	
	Transfers from/(to) Budget Stabilization	0	0	0	
	Other Strategic Transfers from/(to) Reserves	0	3,662,603	3,662,603	
	Net Changes in Cash & Reserve Transfers	0	0	0	

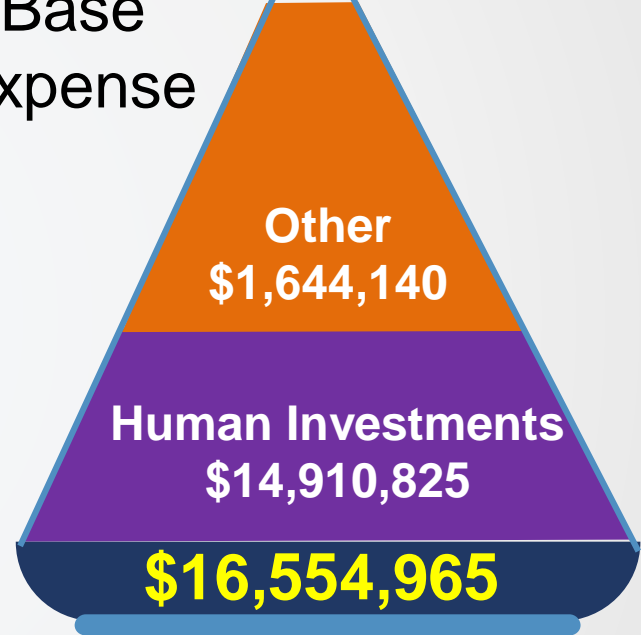
MAINE

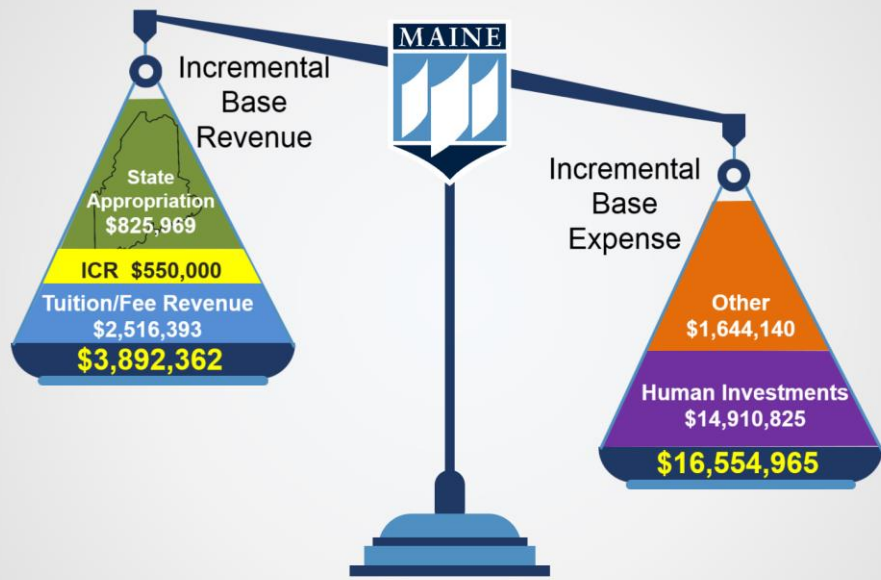


Incremental
Base
Revenue



Incremental
Base
Expense





Incremental Base Revenue

Supplemental	\$ 407,679	*
Shared Services Offset	418,290	*
State Appropriation	\$825,969	
Enrollment Changes	(\$3,258,834)	**
Tuition Increase	5,375,227	*
Net Fees	400,000	**
Tuition Revenue	\$ 2,516,393	
ICR	550,000	
Total Revenue	\$ 3,892,362	

* Fixed ** Flexible

Incremental Base Expense

Shared Services	\$ 948,960	*
Insurance	209,024	*
Capital Expenditures	300,000	*
Utilities	150,000	**
Activity to Base	36,156	**
Other	\$ 1,644,140	
Labor Contracts	6,834,951	*
FY20 Labor Costs	1,031,622	*
Graduate Stipends	175,000	**
PhD Stipends (2 New)	45,334	**
Positions to Base	2,927,483	**
Financial Aid	3,000,000	**
Waivers	606,435	**
Top Scholars	40,000	**
Principal Investigators	250,000	**
Human Capital Investments	\$ 14,910,825	
Total Expenses	\$16,554,965	
GAP	\$12,662,603	
Realignment	8,000,000	
Remaining Gap	\$4,662,603	
Attrition	1,000,000	
Reserves	3,662,603	
Net balance	0	



We are planning for a net reduction in personnel in FY2021.

	Vacancies FTE	Resignations /Retirements FTE	Work Year Reduction FTE	Move to Other Funding FTE	Layoffs FTE	End of Appts FTE	Investments FTE	Total FTE
Faculty	(14.24)	(17.31)	-	(0.74)	-	(1.00)	9.15	(24.14)
Adjunct	(1.74)	-	-	-	-	-	-	(1.74)
Professional	(4.37)	(0.60)	(0.95)	(3.43)	(1.60)	-	15.00	4.06
Classified/Service	(6.79)	(1.00)	(0.27)	(1.00)	(0.25)	-	-	(9.31)
Total	(27.14)	(18.91)	(1.22)	(5.17)	(1.85)	(1.00)	24.15	(31.13)



We have adjusted the UMaine base budget thus far through strategic reductions and planned revenue increases.

- Pausing searches for current/upcoming vacancies in faculty and staff positions
- Counting on increased indirect cost recovery, auxiliary enterprise success, and revenues from external contracts
- Using reserves to defer moving critical hires to base
- Looking for ways to disinvest



We are continuing aggressive efforts to balance the UMaine budget for FY2021.



Retention

Enrollment

Student Financial Aid

UMaine/UMM Partnership

Research



We are working on retention and student success.



UMaine's Make-the-Grade participation

- 172 eligible students: 51% are in-state and 28% are first-generation
- 65 students participating as of spring census
- 66% intend to retake the course they failed
- Three of the 65 students were not already registered for spring classes



We are working on retention and student success.



Navigate Fall 2019 by the Numbers

Pilot Groups

2,963
Appointments with **1,893**
unique students from **51**
appointment campaigns

93%
Faculty progress report
response rate for 3 pilot
courses

106
Alerts issued on 71
students in progress
report pilot

Faculty Training

25+
Department-level faculty
trainings in Fall 2019

200+
Faculty and professional
advisors trained to date

27
Advisors actively scheduling
student appointments in
Navigate

Navigate Student

2,549
Total Student Downloads

84%
First year students
using the app

89%
Of students surveyed
said being able to
schedule appointments
with their advisor would
increase their use of the
app



We are working on retention and student success.



Think 30

Four-year graduation rate for fall 2015 cohort was 41%.

Division of Student Affairs career advising

In 2018-19, about 89% of Career Center clients retained throughout second year.

First-Year Success Courses

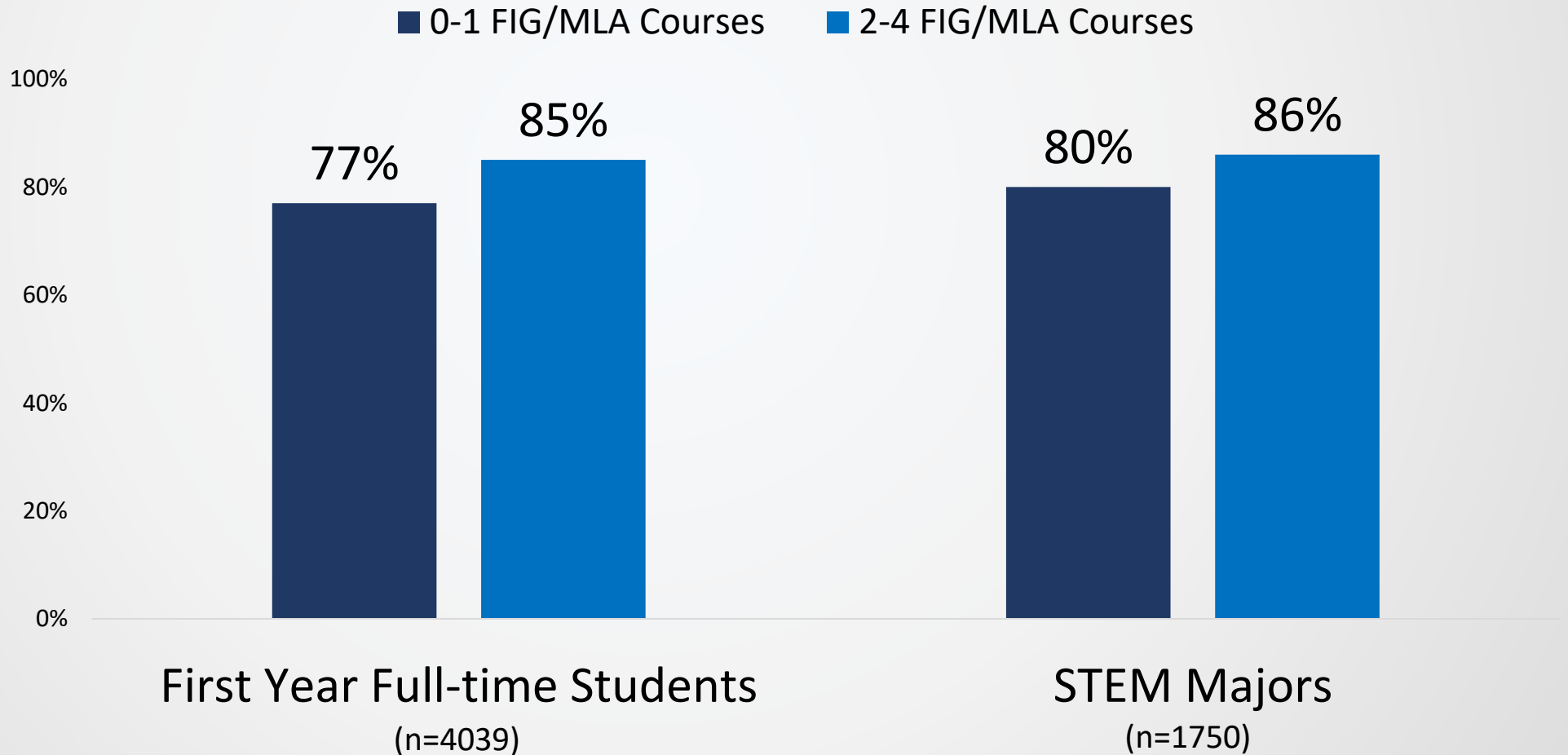
In 2018-19, 78% of participants retained to second year vs. 70% of non-participants.



The Maine Learning Assistant program is leading to learner success.

First-Year Institutional Retention by Freshman Year Exposure to FIG/MLA STEM Courses, 2012-2013 Cohorts

Faculty Incentive Grant and Maine Learning Assistants (FIG-MLA Program)

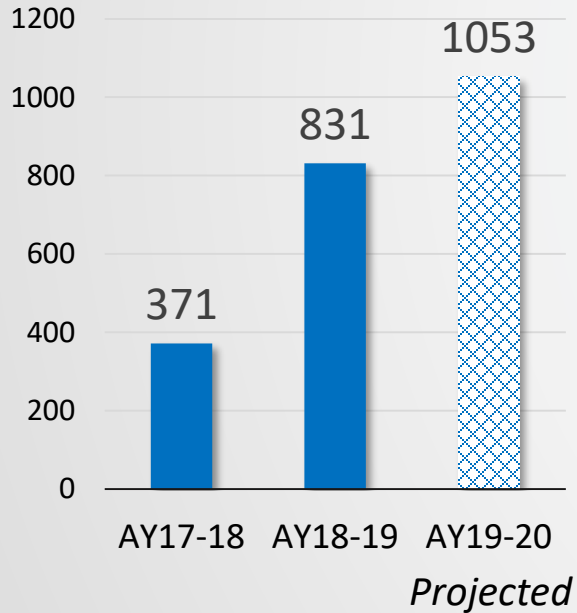




We are actively growing Early College at UMaine.

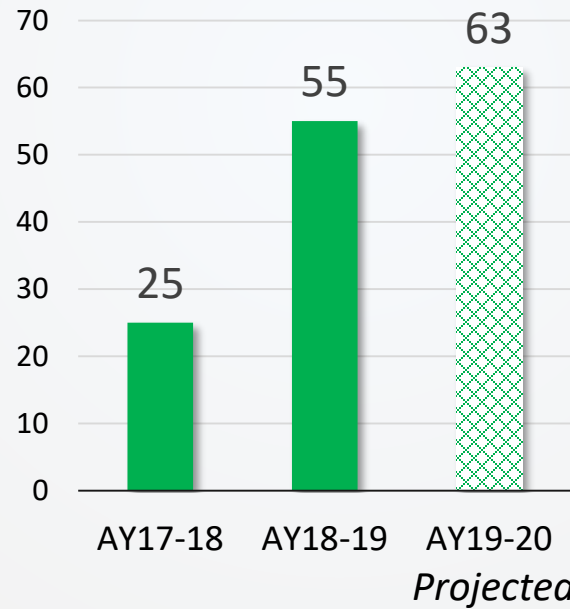
183%

Enrollment Growth over 3 years



152%

Growth in number of Academ-e (online) courses offered



34%

matriculated to UMaine in AY2019-20

49%

matriculated to UMS institutions in AY2019-20

75.9% earned an A or B

87.2% earned a C or above



We are enhancing marketing efforts to recruit and retain students for FY2020-2021.



UNIVERSITY OF
MAINE
SET YOUR COURSE

Set Your Course institutional campaign

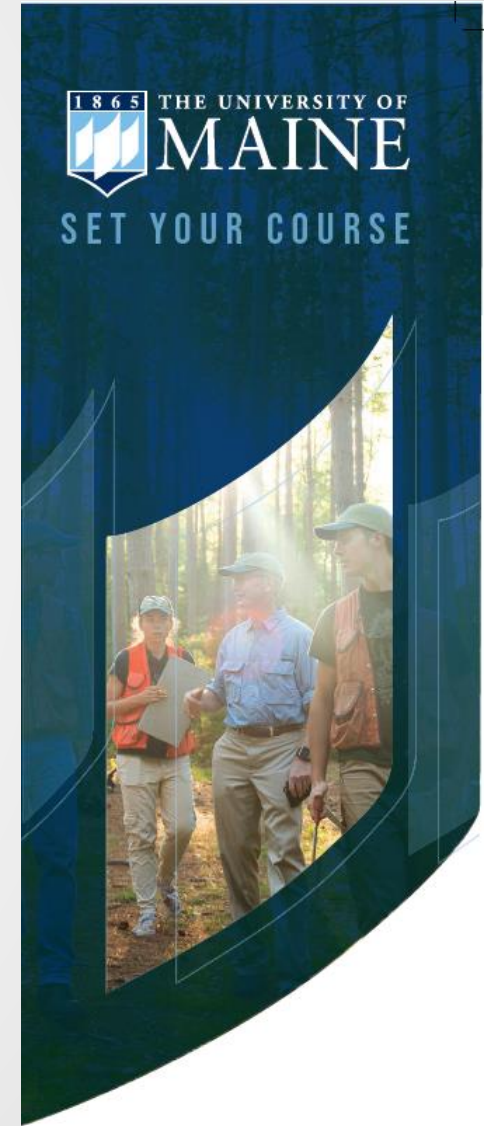
- 30-second television spot, brochure and sticker
- Total estimated cost of \$84,000

Set Your Course campaign for each of the six colleges

- Brochures, direct mail campaigns, digital outreach, and TV and radio spots
- Total estimated cost of \$950,000

UMaine on the Road

- President's initiative to offer visits with admitted students at all high schools in Maine in March 2020





Overview of Budgets - UMM



UMM Comprehensive FY2021 Budget: E&G

		<u>FY2020</u>	<u>FY2021</u>	<u>\$ Change</u>	<u>% Change</u>
Revenue	Tuition & Fees	\$4,102,676	\$3,981,973	\$(120,703)	-2.9%
	Less: Waivers/Scholarships	(1,168,193)	(1,123,753)	44,440	-3.8%
	Appropriation	5,366,231	5,393,119	26,888	0.5%
	Indirect Cost Recovery	60,000	60,000	0	0.0%
	Sales/Services/Other	284,597	254,719	(29,878)	-10.5%
	Total E&G Revenue	\$8,645,311	\$8,566,058	\$(79,253)	-0.9%
Expense	Personnel Expense	5,895,960	5,597,107	(298,853)	-5.1%
	Fuel/Electricity	373,200	373,200	0	0.0%
	Supplies/Services	557,659	433,622	(124,037)	-22.2%
	Shared Services	1,261,736	1,280,952	19,216	1.5%
	Travel	255,008	219,574	(35,434)	-13.9%
	Maintenance & Alterations	152,782	152,782	0	0.0%
	Depreciation	490,258	483,520	(6,738)	-1.4%
	Other Expense	516,418	483,205	(33,213)	-6.4%
	Total E&G Expense	\$9,503,021	\$9,023,962	\$(479,059)	-5.0%
		Operating Increase (Decrease)	\$(857,710)	\$(457,904)	\$(399,806)
Modified CashFlow	Add back Depreciation	490,258	483,520	(6,738)	-1.4%
	Less Capital Expenditures	(11,408)	(12,158)	(750)	6.6%
	Less Debt Service	(115,417)	(158,458)	(43,041)	37.3%
	Net Change:	(494,277)	(145,000)	349,277	
	Transfers from/(to) Budget Stabilization	0	0	0	
	Other Strategic Transfers from/(to) Reserves	494,277	145,000	(349,277)	29.3%
	Net Changes in Cash & Reserve Transfers	0	0	0	



UMM Comprehensive FY2021 Budget: Auxiliary

		<u>FY2020</u>	<u>FY2021</u>	<u>\$ Change</u>	<u>% Change</u>
Revenue	Dining & Residence	\$1,623,388	\$1,618,224	\$(5,164)	-0.3%
	Less: Waivers/Scholarships	(45,250)	(37,810)	7,440	-16.4%
	Sales/Services/Other	49,315	49,315	0	0.0%
	Total Auxiliary Revenue	\$1,627,453	\$1,629,729	\$2,276	0.1%
Expense	Personnel Expense	250,402	251,541	1,139	0.5%
	Fuel/Electricity	207,580	202,580	(5,000)	-2.4%
	Supplies/Services	735,405	747,868	12,463	1.7%
	Travel	500	500	0	0.0%
	Maintenance & Alterations	68,450	72,613	4,163	6.1%
	Depreciation	241,339	278,822	37,483	15.5%
	Other Expense	146,532	134,246	(12,286)	-8.4%
	Total Auxiliary Expense	\$1,650,208	\$1,688,170	\$37,962	2.3%
	Operating Increase (Decrease)	\$(22,755)	\$(58,441)	\$(35,686)	156.8%
Modified CashFlow	Add back Depreciation	241,339	278,822	37,483	15.5%
	Less Capital Expenditures	0	0	0	
	Less Capital Reserve Funding	0	0	0	
	Less Debt Service	(218,584)	(220,381)	(1,797)	0.8%
	Net Change:	0	0	0	
	Transfers from/(to) Budget Stabilization	0	0	0	
	Other Strategic Transfers from/(to) Reserves	0	0	0	
	Net Changes in Cash & Reserve Transfers	0	0	0	

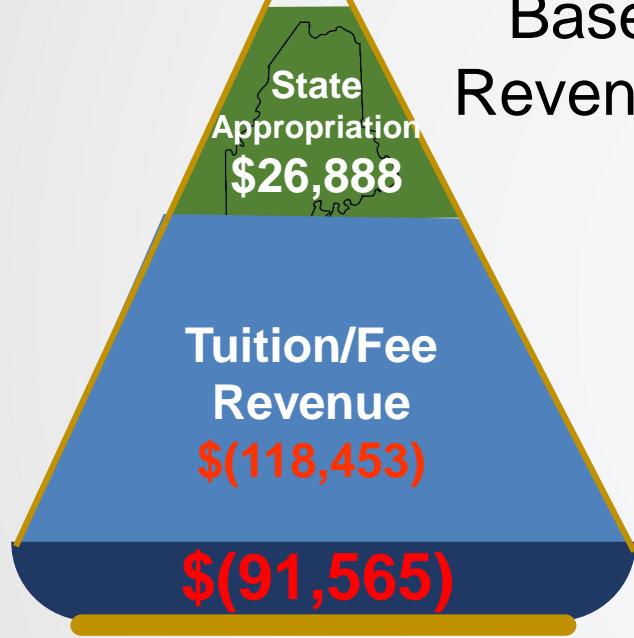


UMM Comprehensive FY2021 Budget: E&G and Auxiliary

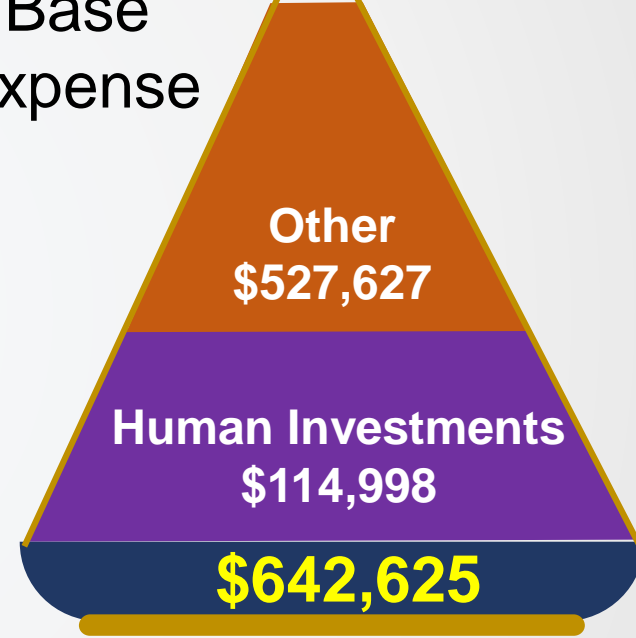
		FY2020	FY2021	\$ Change	% Change
Revenue	Tuition & Fees	\$4,102,676	\$3,981,973	\$(120,703)	-2.9%
	Dining & Residence	1,623,388	1,618,224	5,164	-0.3%
	Less: Waivers/Scholarships	(1,213,443)	(1,161,563)	51,880	-4.3%
	Appropriation	5,366,231	5,393,119	26,888	0.5%
	Indirect Cost Recovery	60,000	60,000	0	0.0%
	Sales/Services/Other	333,912	304,034	(29,878)	-8.9%
	Total E&G_Aux Revenue	\$10,272,764	\$10,195,787	\$(76,977)	-0.7%
Expense	Personnel Expense	6,146,362	5,848,648	(297,714)	-4.8%
	Fuel/Electricity	580,780	575,780	(5,000)	-0.9%
	Supplies/Services	1,293,064	1,181,490	(111,574)	-8.6%
	Shared Services	1,261,736	1,280,952	19,216	1.5%
	Travel	255,508	220,074	(35,434)	-13.9%
	Maintenance & Alterations	221,232	225,395	4,163	1.9%
	Depreciation	731,597	762,342	30,745	4.2%
	Other Expense	662,950	617,451	(45,499)	-6.9%
	Total E&G_Aux Expense	\$11,153,229	\$10,712,132	\$(441,097)	-4.0%
	Operating Increase (Decrease)	\$(880,465)	\$(516,345)	\$(364,120)	-41.4%
Modified CashFlow	Add back Depreciation	731,597	762,342	30,745	4.2%
	Less Capital Expenditures	(11,408)	(12,158)	(750)	6.6%
	Less Capital Reserve Funding	0	0	0	
	Less Debt Service	(334,001)	(378,839)	(44,838)	13.4%
Net Change:	(494,277)	(145,000)	349,277		
Transfers from/(to) Budget Stabilization	0	0	0		
Other Strategic Transfers from/(to) Reserves	494,277	145,000	-349,277	29.3%	
Net Changes in Cash & Reserve Transfers	0	0	0		

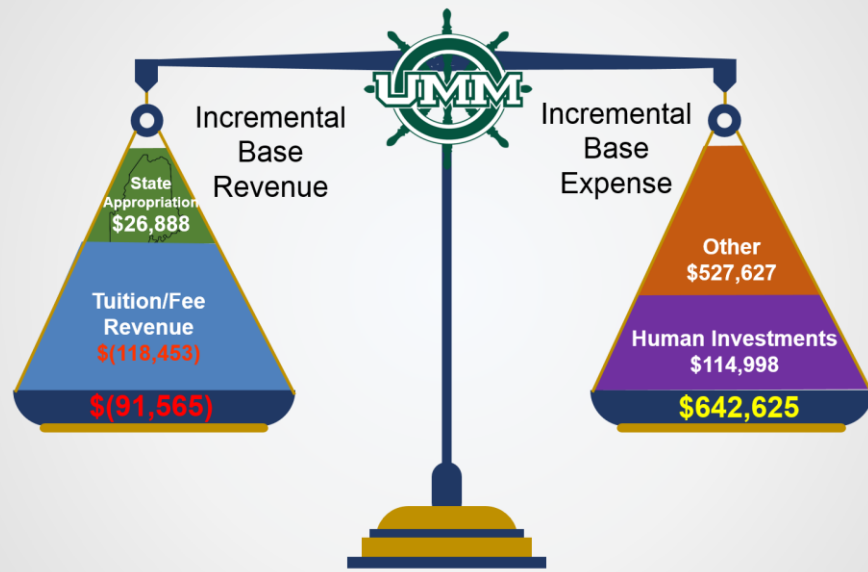


Incremental
Base
Revenue



Incremental
Base
Expense





Incremental Base Revenue

Supplemental	\$ 7,088 *
Shared Services Offset	19,800 *
State Appropriation	\$26,888
Enrollment Changes	\$(214,608) **
Tuition Increase	90,595 *
Net Fees	5,560 **
Tuition Revenue	\$ (118,453)
Total Revenue	\$ (91,565)

* Fixed ** Flexible

Incremental Base Expense

Shared Services	\$ 19,216 *
Insurance	14,134 *
Eliminate Budget Reserve	494,277 *
Other	\$ 527,627
Labor Contracts	145,697 *
FY20-FY21 Labor Costs	(30,699) *
Human Investments	\$ 114,998
Total Expense	\$ 642,625

GAP	\$ 734,190
Realignment	464,190
Remaining Gap	\$ 270,000
Attrition	125,000
Reserves	145,000
Net Balance	0



We have adjusted the UMM base budget thus far through strategic reductions and planned revenue increases.



- Streamlining and restructuring both the General Education Core and curriculum offerings to reduce reliance on adjuncts and increase retention
- Consolidating residence halls: one for housing students, and one for revenue-generating conferences and programming
- Restructuring and possibly limiting athletics until student enrollment increases



We are working on retention and student success.

Curriculum: President's Teaching and Learning focus on highest DFW gateway courses

4-Year Programs: Streamlining and restructuring degree programs

Completed: Business, Education, Creative Arts.

Current development: Psychology & Community Studies, Environmental Studies, and Recreation and Tourism Management

Student Life: New Student Union, developing E-sports, remodeling communal kitchen, etc.

Academic Services: A Planning & Revision Committee has started looking at Academic Support Services from the ground up with a report and recommendations due in May 2020.

Federal Support: Applying for the TRIO program

Athletics: Working with UMaine's Athletics to restructure UMM's Athletic recruiting and retention models.



We are enhancing learner success initiatives at UMM.



Increased **Early College Programming** and career pathways to a summer program. This summer the focus will be on creative writing and graphic novels as well as conservation law.

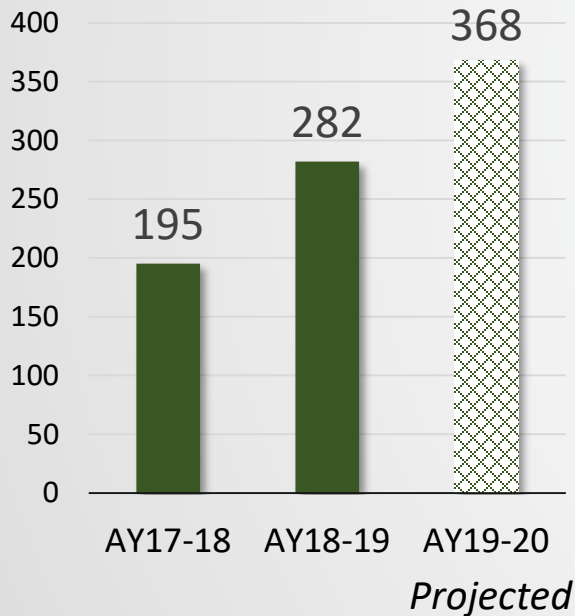
Family Futures Downeast (FFD) is a one-year program that creates access to education and employment opportunities for parents with young children. FFD uses a two-generational approach that combines post-secondary education and workforce development with high-quality early education for FFD children.



Early College is doing well at UMM.

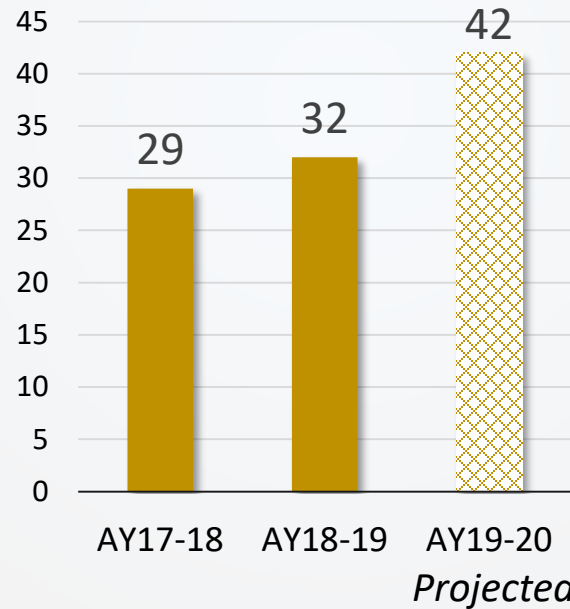
88.7%

Enrollment Growth over 3 years



44.8%

Increase in the number of high school partners over 3 years



AY2019-20 Online Course Offerings

85.2% Web/Online

13.7% at UMM

0.8% at Houlton Center (ASL 101)

Student Academic Performance, AY2017-18, AY2018-19, Fall 2019

79.6% earned an A or B

85% earned a C or above



UMM has new marketing efforts to recruit and retain students.

47

Niche premium profile secured, and targeted student contact buys in process
— \$9,990 per year

Updated website promoted by a social media campaign — no cost for website refresh by UMaine Division of Marketing and Communications; \$1,500–\$2,000 for social media advertising

New admissions print materials by mid-March — no cost for design by UMaine Division of Marketing and Communications; \$30,000 for printing and postage

Institutional video updated/refreshed — no cost by UMaine Division of Marketing and Communications

Ads in Machias and Bangor newspapers and on local radio — \$2,500



Challenges and Opportunities

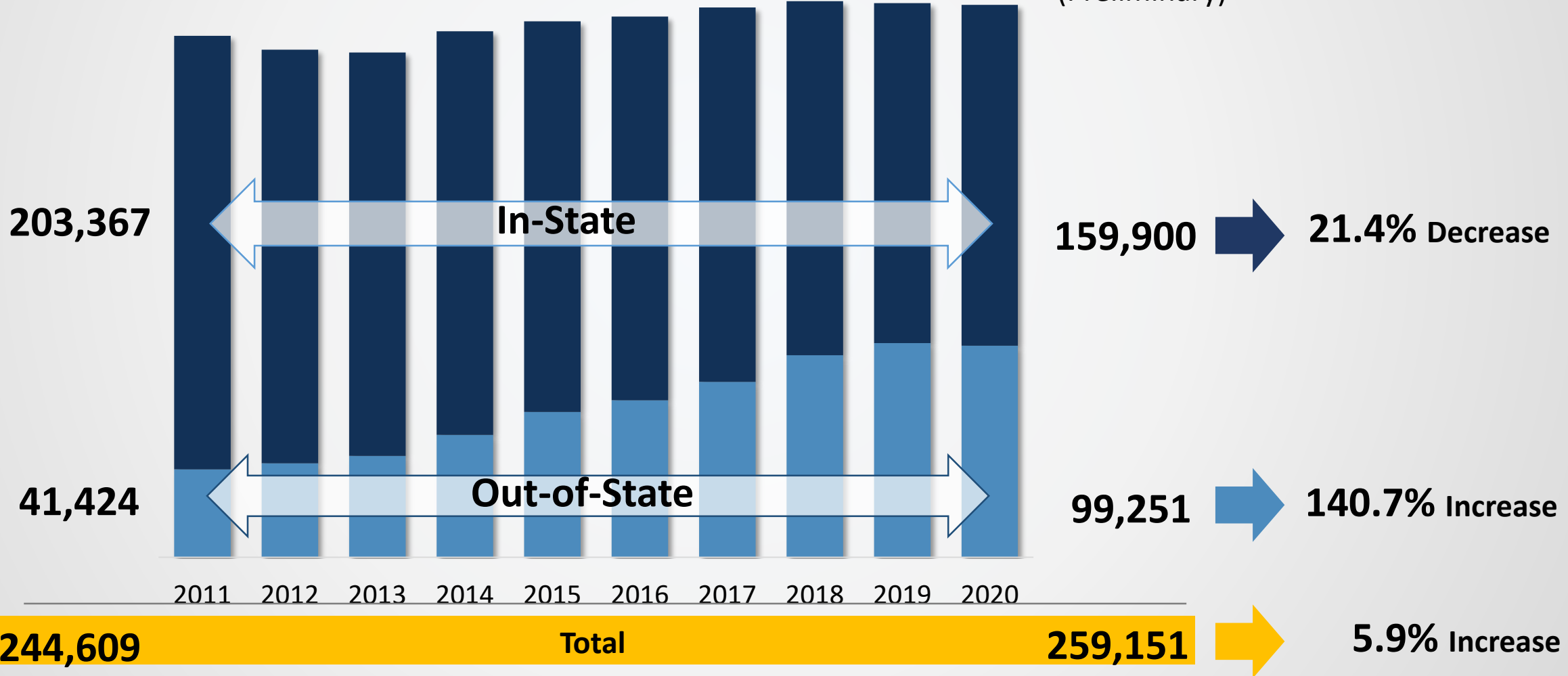


UMaine Challenges: Undergraduate student credit hour trends at UMaine are barely holding steady.

FY2011

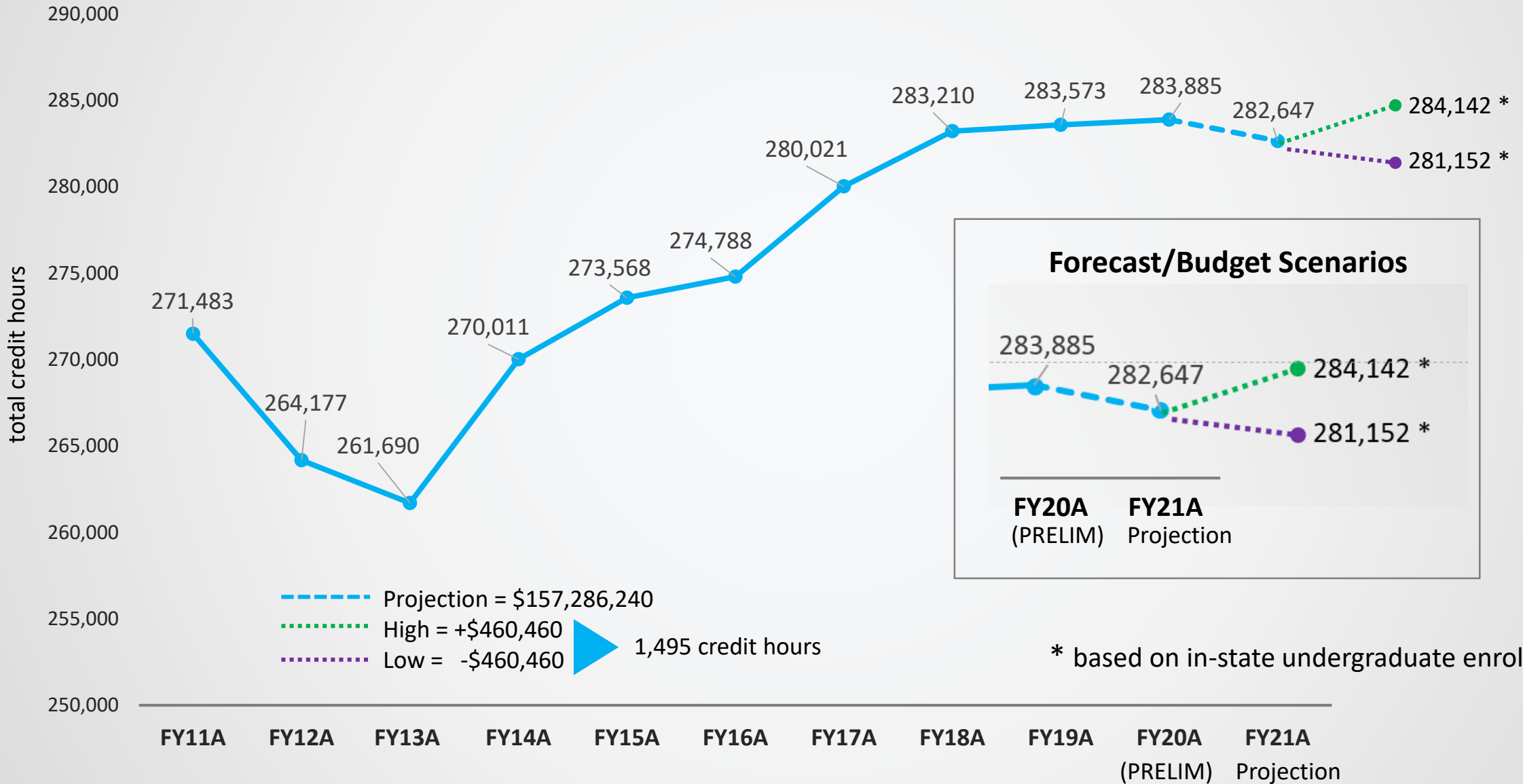
Total (Summer, Fall, Spring) Census Data

FY2020
(Preliminary)



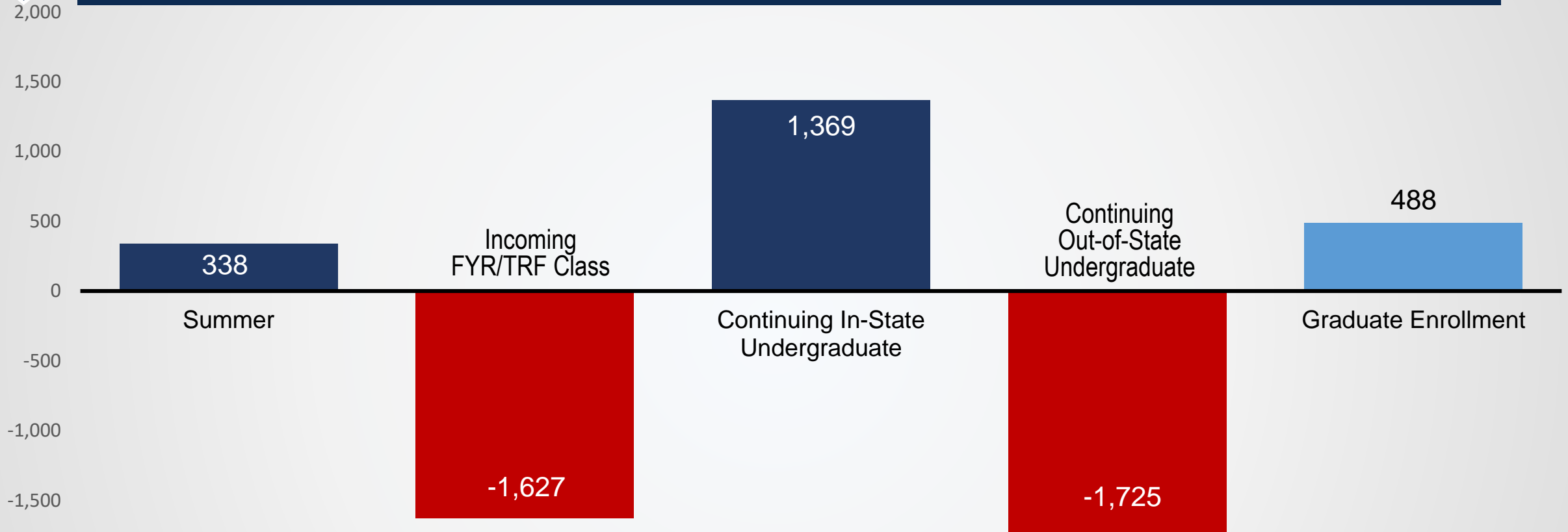


UMaine Challenges: We are constantly modeling student credit hour projections, and one model projects a modest increase.





UMaine Challenges: We are seeing concerning decreases in out-of-state undergraduate credit hours.



290,000
288,000
286,000
284,000
282,000
280,000

283,804

FY2020

282,647

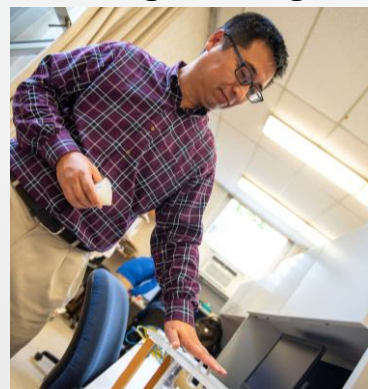
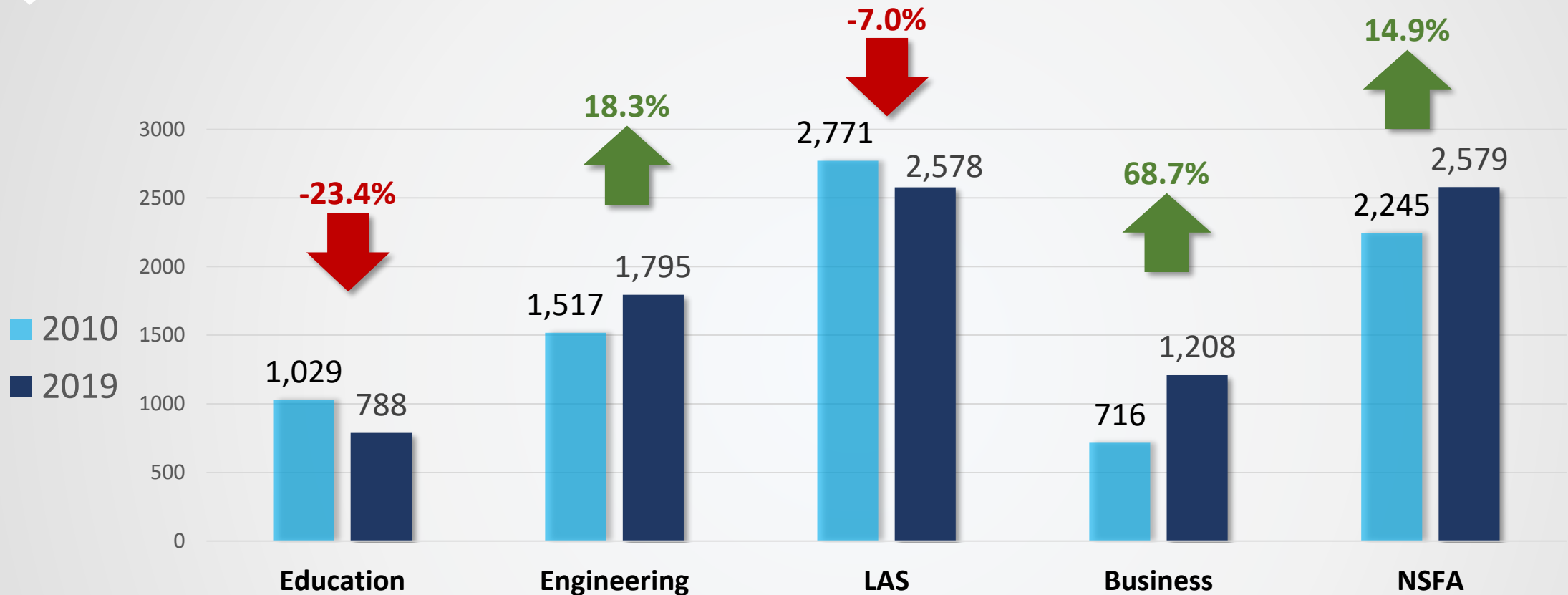
FY2021

Difference of
-1,157
Credit Hours

-0.4%
↓
Decrease

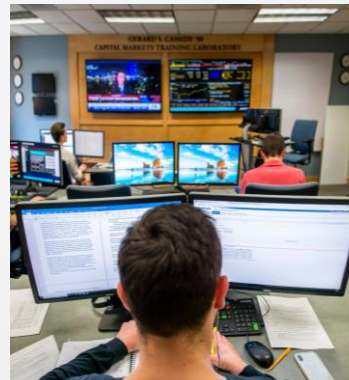
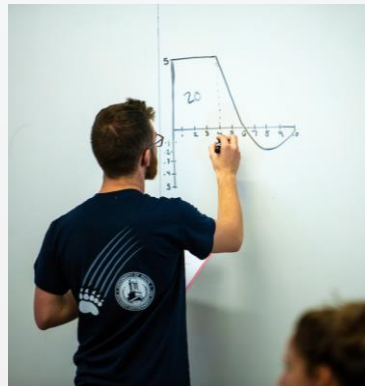
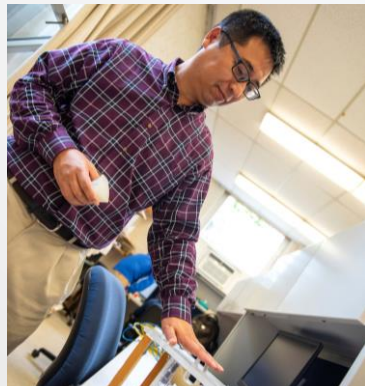
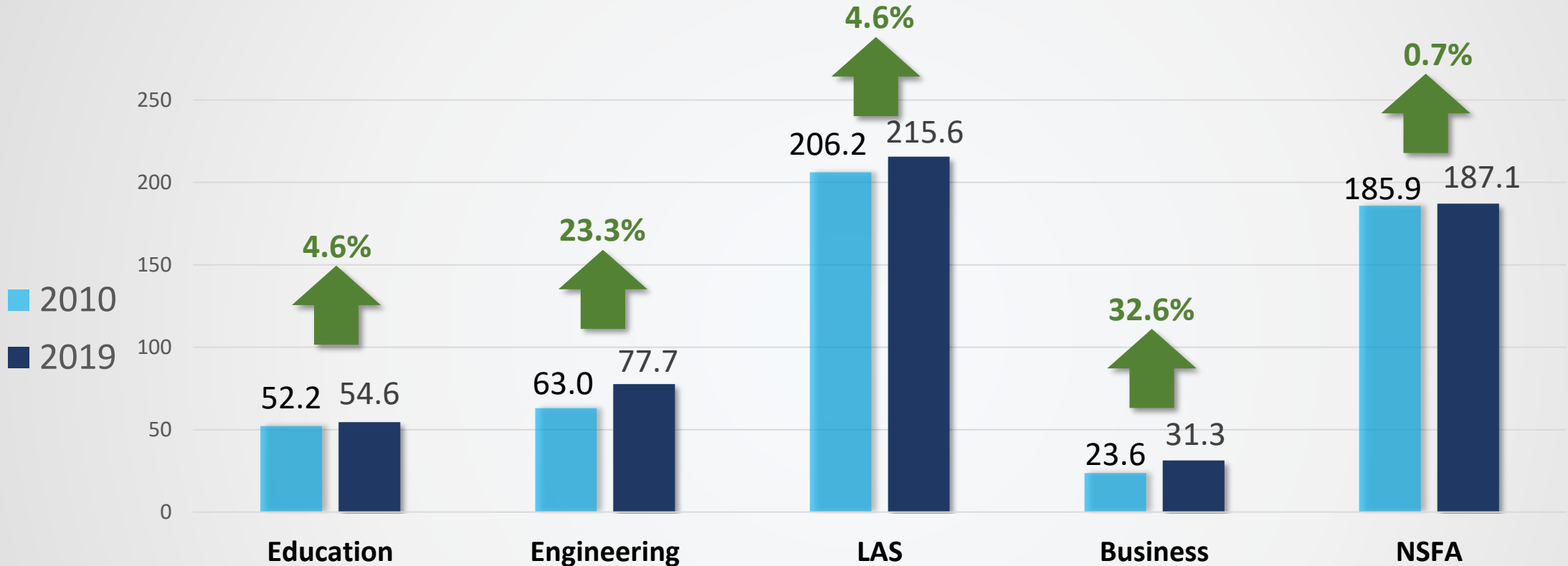


UMaine Opportunities: Over 10 years undergraduate interest has shifted to STEM and business fields.



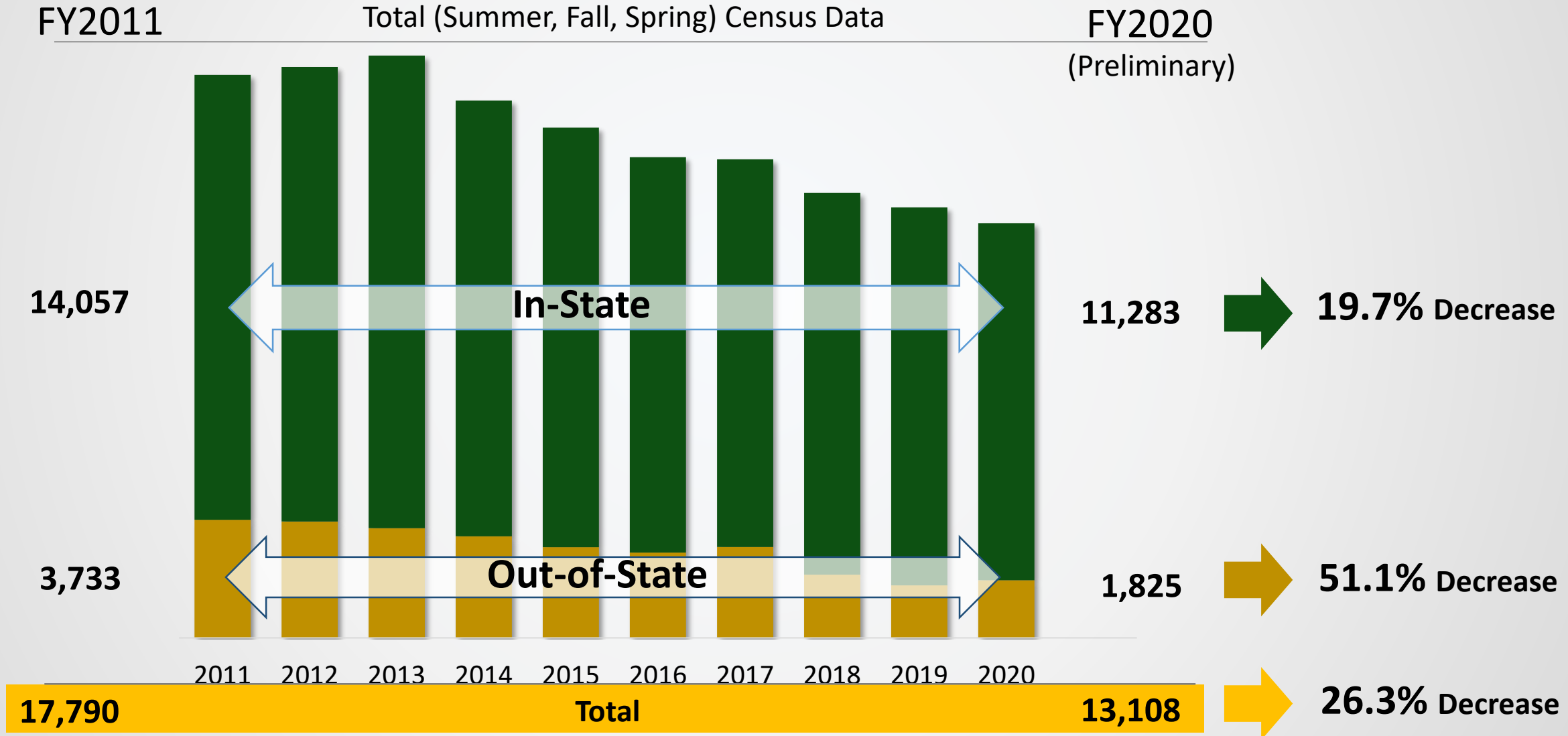


UMaine Opportunities: Over 10 years we have been rebuilding the faculty ranks.



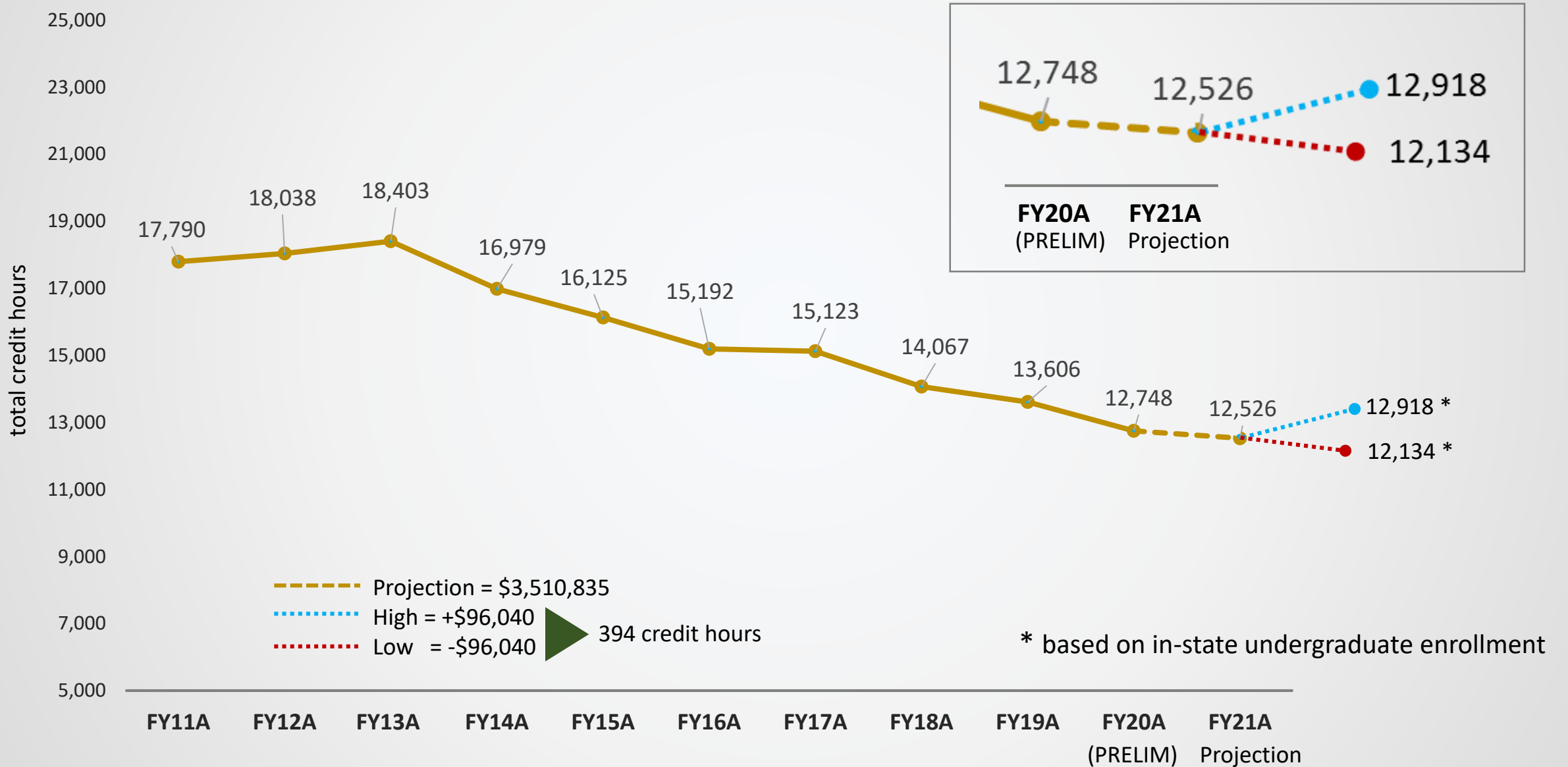


Challenges at UMM: We are concerned about enrollment at UMM.



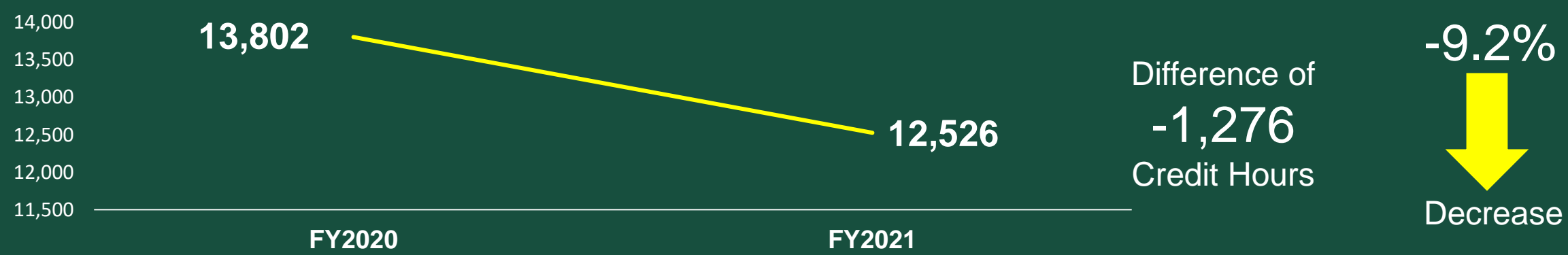
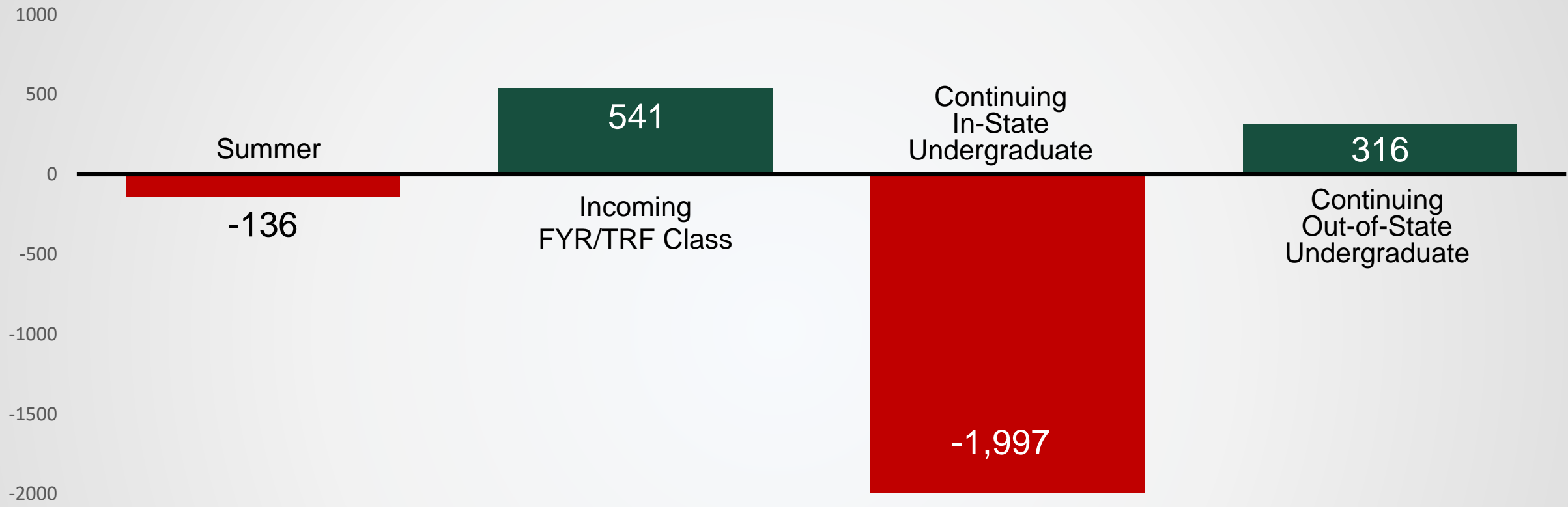


Challenges at UMM: UMM Enrollment Projections



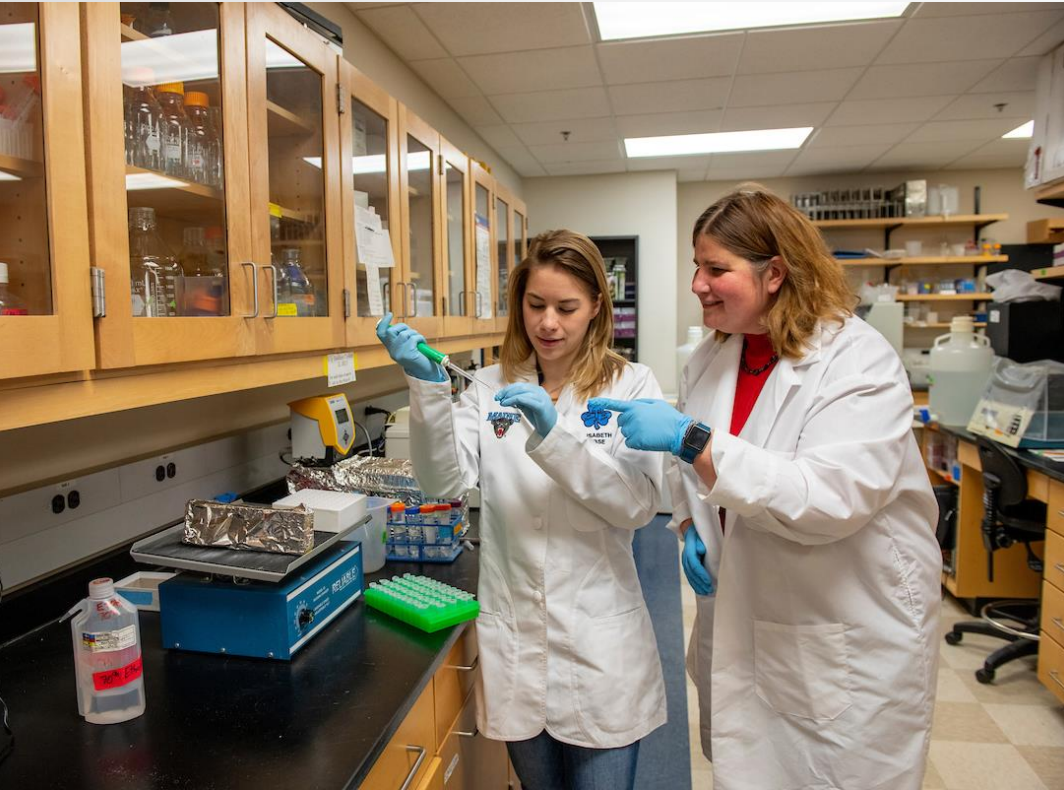


Challenges at UMM: UMM Credit Hour Changes FY2020-FY2021

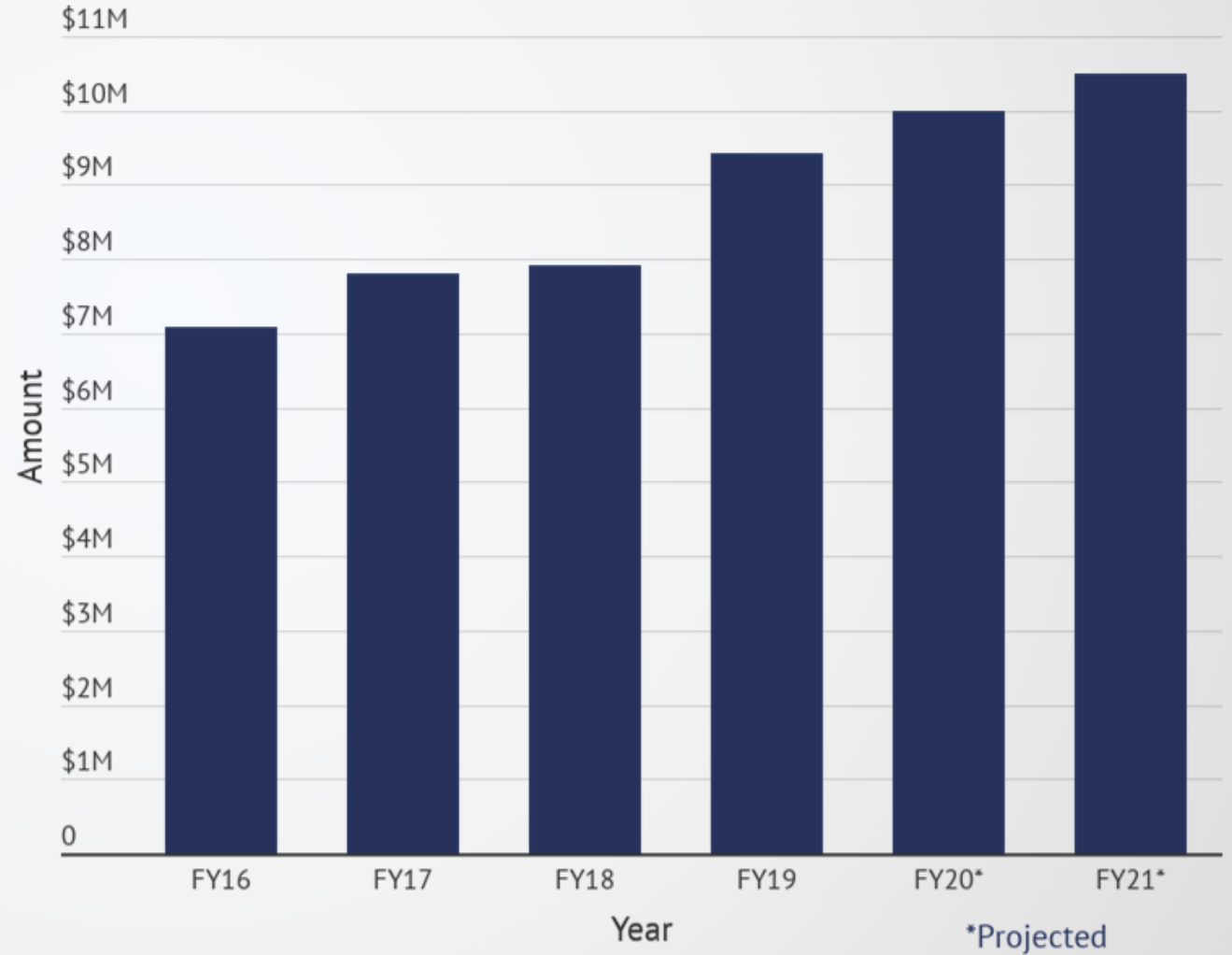




Opportunities: Increased investment in research infrastructure is growing indirect cost recovery FY2016 - FY2021.



IDC Recovered from Projects



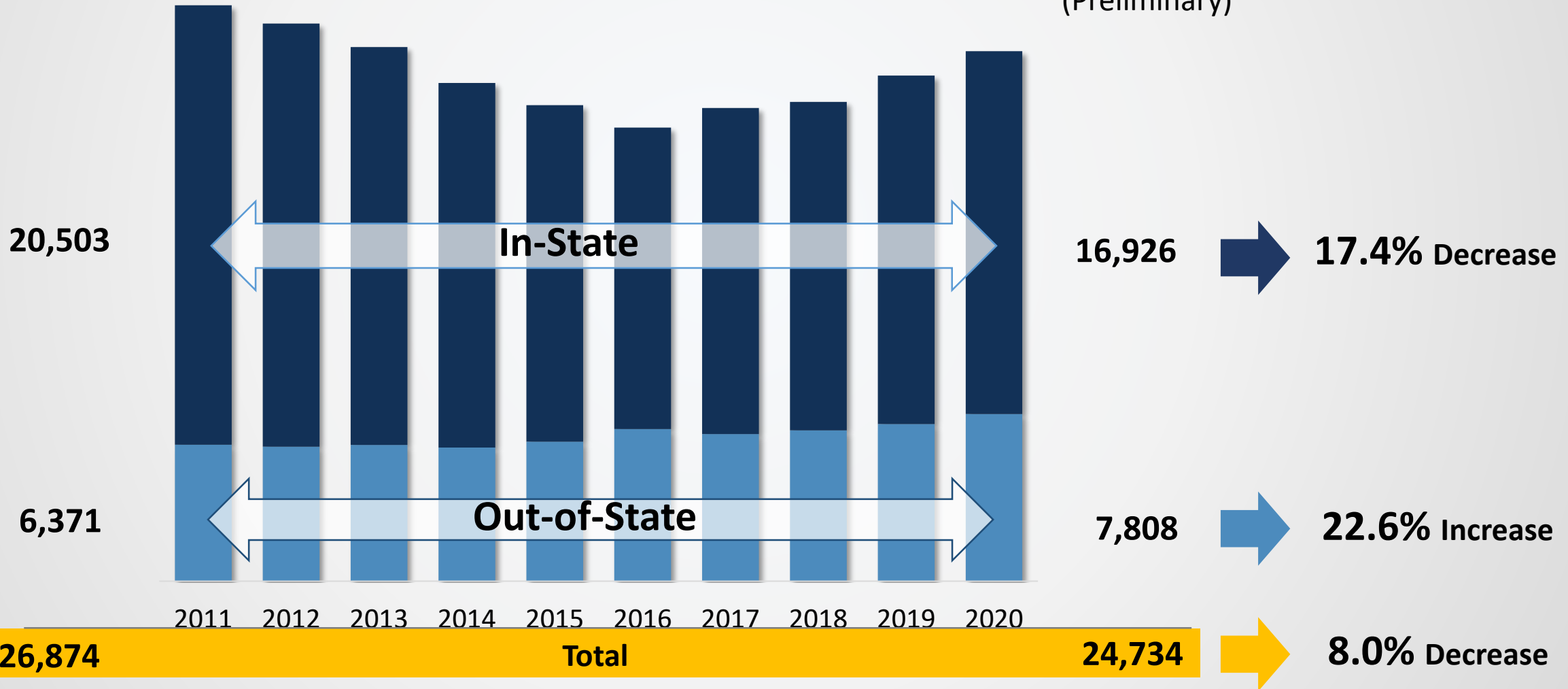


Opportunities: We are reversing the decline in graduate student credit hours at UMaine.

FY2011

Total (Summer, Fall, Spring) Census Data

FY2020
(Preliminary)



Opportunities: **We are developing a longer-term strategic approach to budgeting and planning.**

- Engaging the campuses through the Faculty Senate and their Financial and Institutional Planning, and Research and Scholarship Committees at UMaine, and through the Faculty Assembly at UMM
- Embarking on a strategic prioritization/program realignment process
- Senior Advisor to President preparing recommendations (RCM-light, MEIF, IDC, UMM integration)

Opportunities: **We have new initiatives on both campuses aimed at learner success**

- UMaine President's Priority: Gateway Courses in the First Two Years
- Provost's Fora (UMaine) on Learner Success Initiatives
- UMM: First Year Experience, EAB Navigate, Help Link, Updated Study Center
- Research Learning for All



Opportunities: UMaine is embarking on a data-driven effort to reach Carnegie R1 status.



- UMaine is among only 90 public universities nationwide recognized by Carnegie Classification as a doctoral institution with high research activity.
- UMaine has advanced as a world-class research university, with research expenditures reaching \$137.7 million in FY2019.
- UMaine's nationally and internationally recognized research and graduate programs have global impact.
- UMaine has identified a multi-step plan of action and embarked on the path to reach R1 status.

We are expanding and creating partnerships to serve Maine's learners and economy, and will build on the framework afforded by unified accreditation.

- Northeastern IDEALS
- Agri-tech with the Maine Community College System
- Nursing from across UMS for Washington County and Waldo County
- Building a policy resource group for the Maine Legislature's IDEA committee
- Expanding the Oak Ridge partnership beyond composites



Conclusion

**Basic
Research**

**Experimental
Development**

TALENT and ECONOMY

**Innovation
and Wider Use**

The University of Maine, the State's land, sea, and space grant university with a coastal campus in Machias, is committed to inclusive excellence as we:

- enable our learners to succeed through research learning and relevant programs;
- grow research, development and innovation that makes a difference; and
- partner and lead state-wide to develop Maine's talent and build its economy.





Additional Data Slides



Tuition, Room & Board Rates



Tuition, Room & Board Rates

	FY2020	FY2021	\$	%
Tuition - per Credit Hour	Current	Proposed	Increase	Increase
In-State Undergraduate	300	308	8	2.7%
In-State Graduate	450	461	11	2.4%
Out-of-State Undergrad	977	1,001	24	2.5%
Out-of-State Graduate	1,466	1,503	37	2.5%
NEBHE/Canadian (170% of In-State)				
Undergraduate	495	524	29	5.9%
Graduate	743	784	41	5.5%
	FY2020	FY2021	\$	%
Room & Board Rates	Current	Proposed	Increase	Increase
Room	5,518	5,670	152	2.8%
Board	5,148	5,302	154	3.0%
<i>Average % R&B Increase</i>				2.9%
<i>Occupancy Rate</i>				96.9%

	FY2020	FY2021	\$	%
Tuition - per Credit Hour	Current	Proposed	Increase	Increase
In-State Undergraduate	239	245	6	2.5%
Out-of-State Undergrad	475	490	15	3.2%
NEBHE/Canadian (160% of In-State)				
Undergraduate	382	392	10	2.6%
	FY2020	FY2021	\$	%
Room & Board Rates	Current	Proposed	Increase	Increase
Room	4,600	4,727	127	2.8%
Board	4,580	4,861	281	6.1%
<i>Average % Increase</i>				4.4%
<i>Occupancy Rate</i>				59.7%



Mandatory Fees

University of Maine

		(Annual)			
		FY2020 Current	FY2021 Proposed	Increase	
				\$	%
Graduate Student Activity Fee*	1 or More Credit Hours	120	120	0	-
Undergraduate Student Activity Fee*	6 or More Credit Hours	106	106	0	-
Communication Fee*	6 or More Credit Hours	30	30	0	-
Recreation Center Fee	0 to 5 Credit Hours	174	184	10	5.7%
	6 or More Credit Hours	292	308	16	5.5%
Unified Fee	0 to 5 Credit Hours	268	274	6	2.2%
	6 to 11 Credit Hours	820	840	20	2.4%
	12 to 15 Credit Hours	2,010	2,060	50	2.5%
	16 or More Credit hours	2,062	2,114	52	2.5%

*Student Voted Fee



Mandatory Fees

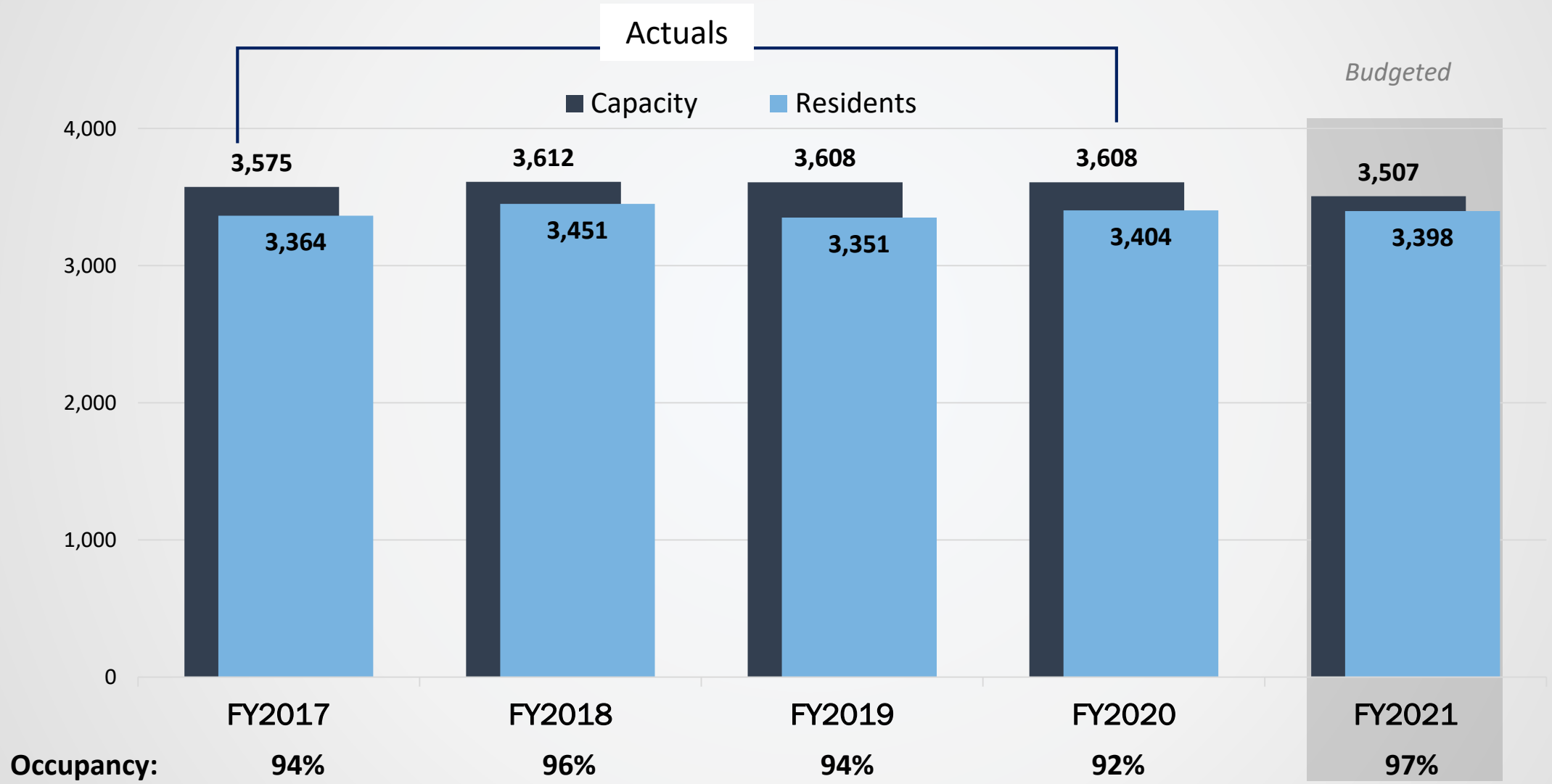
University of Maine at Machias

		(Annual)			
		FY2020 Current	FY2021 Proposed	Increase	
				\$	%
Undergraduate Student Activity Fee*	Per Credit Hour, up to 11	11	11	0	-
	12 or More Credit Hours	240	240	0	-
Green Fee*	Flat Fee	20	20	0	-
Unified Fee	Flat Fee + Per Credit Hour	626	642	16	2.6%

*Student Voted Fee

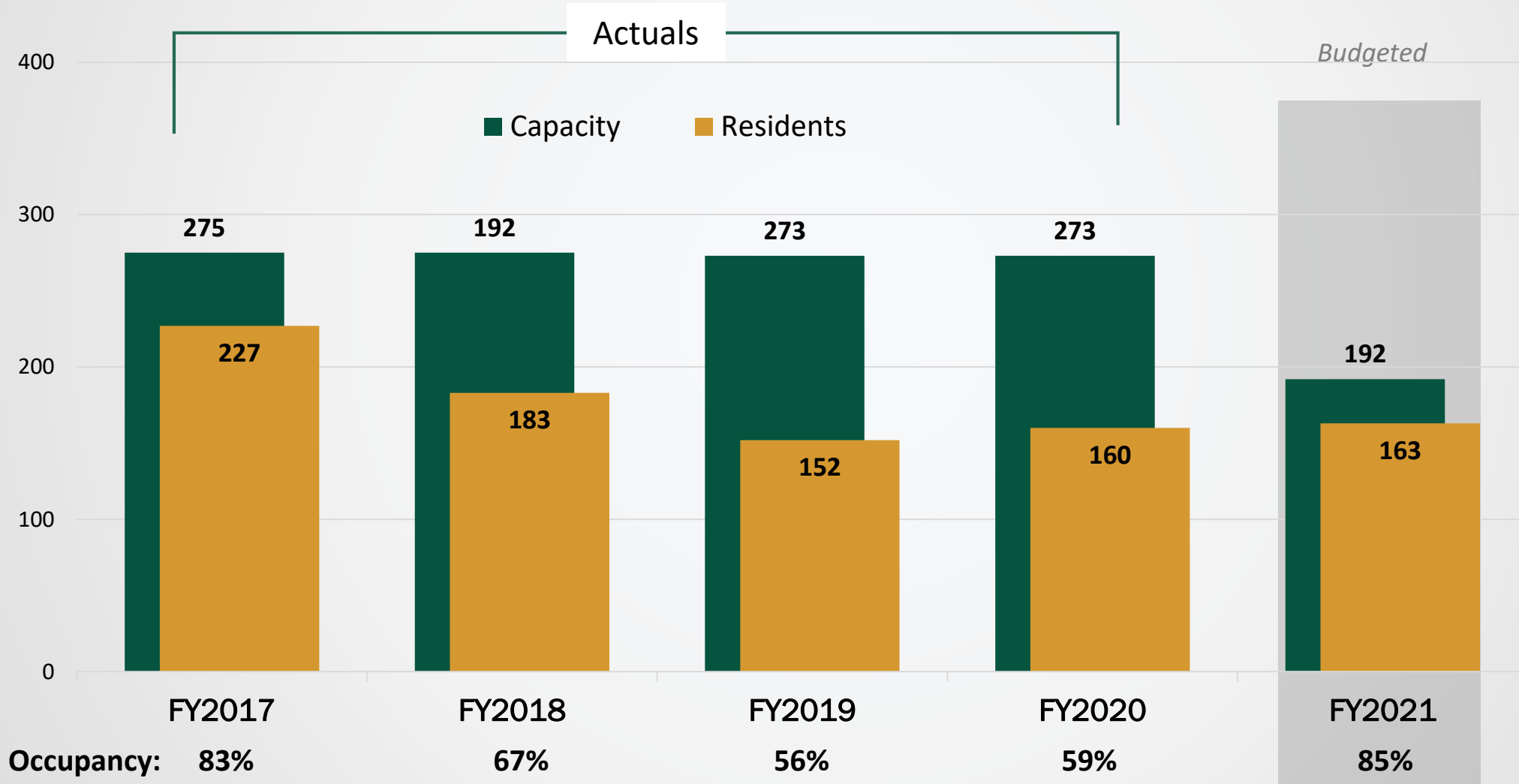


Residence Hall Capacity





Residence Hall Capacity





UMaine Reserves



UMM Reserves

(Excerpt from FY19 Composition of Unrestricted Net Position)

University of Maine

Educational & General	FY 19	FY18
E&G Operations	22,804,393	22,683,619
Capital Equipment	978,844	978,844
Compensation	1,266,042	1,266,042
Capital Project Bridge Loans	5,300,683	5,300,683
Sub-Total:	30,349,962	30,229,188
Facilities Capital Planning (E&G)	9,321,393	7,807,939

Auxiliaries	FY19	FY18
Residence Operations	7,805,245	7,204,115
Dining Services	5,595,353	5,300,818
Campus Rec Center	1,639,203	1,549,901
Bookstore	934,909	781,393
University Printing Services	14,946	141,663
Memorial Union	132,224	132,176
Motor Pool	47,759	12,420
Forestry Motor Pool	38,775	29,937
Aircraft	3,964	9,176
Sub-Total:	16,212,378	15,161,598
Facilities Capital Planning (AUX)	3,214,047	3,808,916

University of Maine at Machias

Educational & General	FY19	FY18
E&G Operations	427,421	1,202,762
E&G Maintenance	191,645	191,645
Departmental Initiatives	164,464	137,157
Sub-Total:	783,530	1,531,564
Facilities Capital Planning (E&G)	168,884	227,457

Auxiliaries	FY19	FY18
Bookstore	813	(4,182)
Dining & Residence Halls	(194,294)	(810,497)
Motor Pool	61,824	42,984
Sub-Total:	(131,657)	(771,695)
Facilities Capital Planning (AUX)	0	0



FY2021 E&G and Auxiliary Depreciation Calculations

University of Maine

	<u>FY20</u>	<u>FY21</u>	<u>% Change</u>
E&G Depreciation Expense	15,946,215	16,820,624	5.5%
Less Capital Equipment & Transfers to Plant & Reserve	(5,686,807)	(5,786,952)	1.8%
Less Debt Service Principal Charges	(1,261,802)	(1,398,713)	10.9%
	<hr/>	<hr/>	
Funded E&G Depreciation:	(6,948,609)	(7,185,665)	3.4%
Funded E&G Depreciation %:	43.6%	42.7%	
Auxiliary Depreciation Expense	3,657,981	3,949,283	8.0%
Less Capital Equipment & Transfers to Plant & Reserve	(2,420,651)	(2,357,629)	-2.6%
Less Debt Service Principal Charges	(2,787,752)	(2,563,766)	-8.0%
	<hr/>	<hr/>	
Funded Auxiliary Depreciation:	(5,208,403)	(4,921,395)	-5.5%
Funded Auxiliary Depreciation %:	142.4%	124.6%	
Combined Funded E&G and Auxiliary %:	62%	58.3%	



FY2021 E&G and Auxiliary Depreciation Calculations

University of Maine at Machias

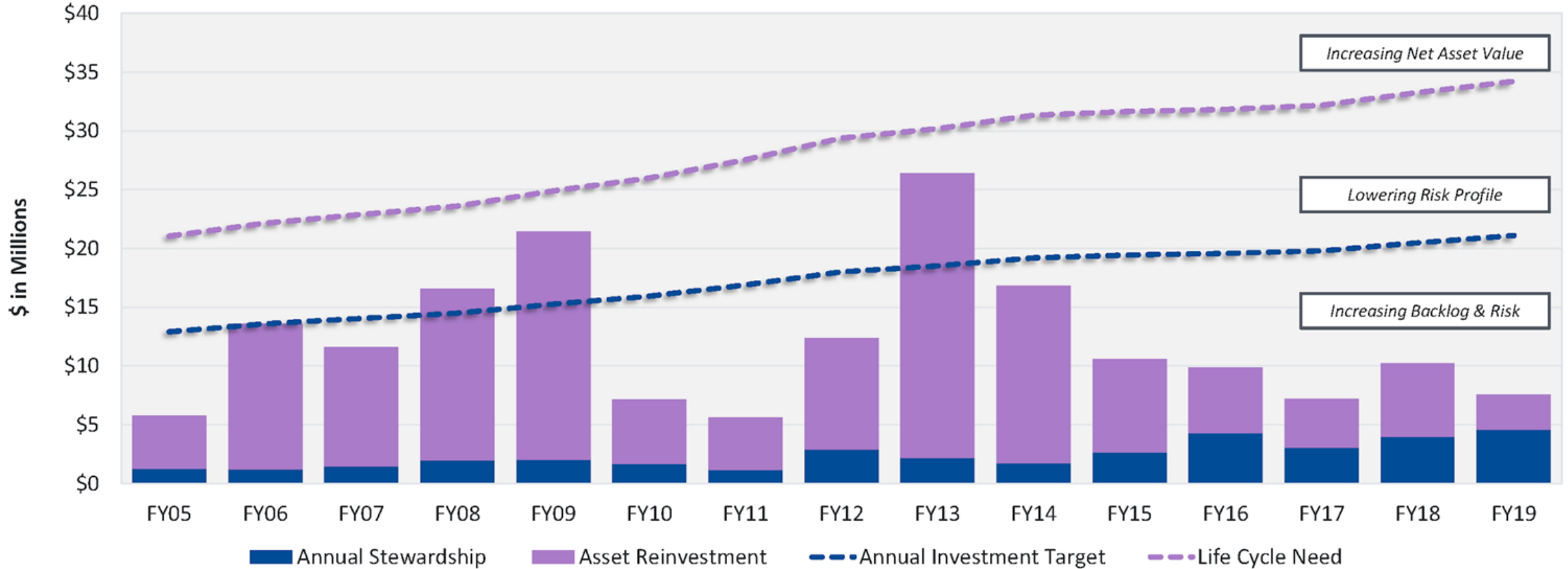
	FY20	FY21	% Change
E&G Depreciation Expense	490,258	483,520	-1.4%
Less Capital Equipment & Transfers to Plant & Reserve	(11,408)	(12,158)	6.6%
Less Debt Service Principal Charges	(115,417)	(158,458)	37.3%
Funded E&G Depreciation:	(126,825)	(170,616)	34.5%
Funded E&G Depreciation %:	25.9%	35.3%	
Auxiliary Depreciation Expense	241,339	278,822	15.5%
Less Capital Equipment & Transfers to Plant & Reserve	0	0	-
Less Debt Service Principal Charges	(218,584)	(220,381)	0.8%
Funded Auxiliary Depreciation:	(218,584)	(220,381)	0.8%
Funded Auxiliary Depreciation %:	90.6%	79.0%	
Combined Funded E&G and Auxiliary %:	47.2%	51.3%	



UMaine Capital Performance vs Investment Targets

UM combined investment below Sightlines' Annual Target over last 5 years totals \$54.9M

Historical Capital Investment in Existing Space

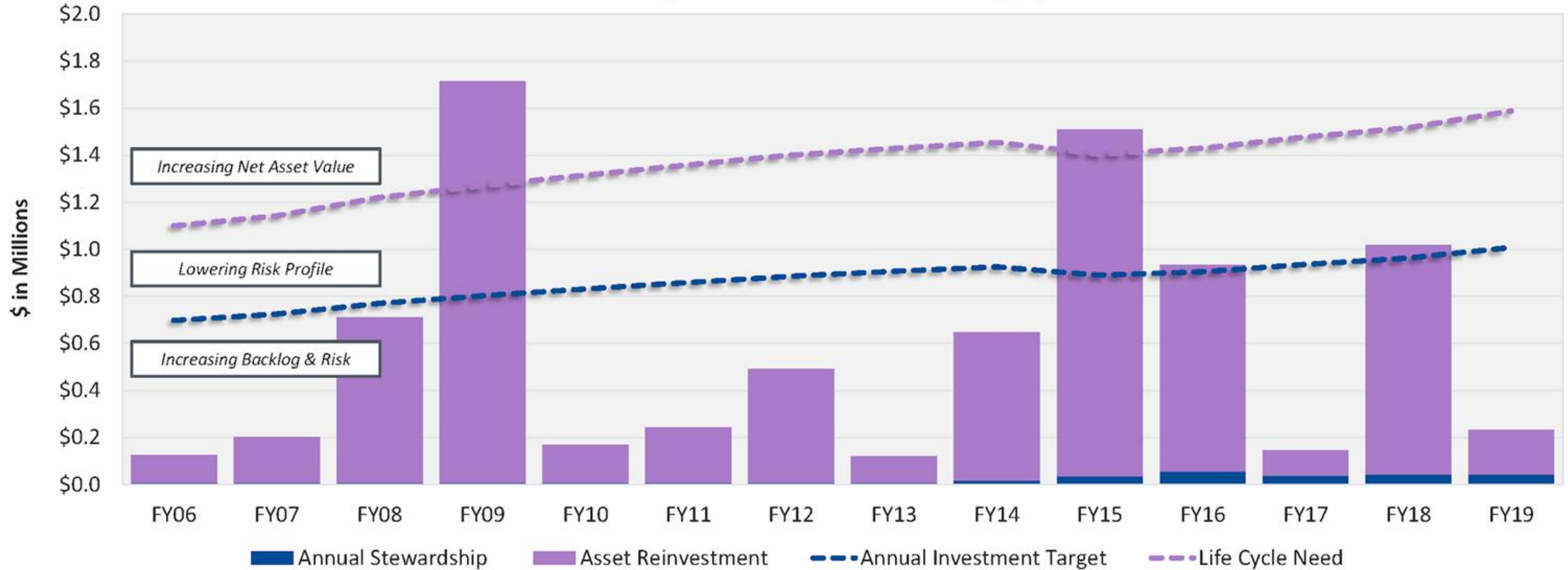




UMM Capital Performance vs Investment Targets

UMM has invested above Sightlines' Annual Investment Target 3 of the last 5 years

Historical Capital Investment in Existing Space





Space Reduction: Preliminary UMaine Opportunities

Criteria:

- Net Asset Value
- Building Condition
- Occupancy & Operational Impact
- Alignment w/ UMaine Mission

				Preliminary Estimates			
	Timing (years)	# of structures	SQ FT (000)	Demolition	Relocation	Replacement	Total Cost
Removal	now	10	27.7	\$1,054,840	\$196,250	\$0	\$1,251,090
	1-3	11	36.8	\$557,535	\$704,820	\$0	\$1,262,355
	3-5	23	105.2	\$1,540,510	\$703,700	\$0	\$2,244,210
Subtotal		44	169.7	\$3,152,885	\$1,604,770	\$0	\$4,757,655
Downsize & Modernize	1-3	1	1.2	\$12,000	\$30,000	\$120,000	\$162,000
	3-5	8	24.9	\$138,770	\$591,450	\$2,980,200	\$3,710,420
Subtotal		9	26.1	\$150,770	\$621,450	\$3,100,200	\$3,872,420
Major Capital Projects	TBD	4	108.6	\$6,497,000	\$2,714,500	\$68,832,000	\$78,043,500
Total		57	304.4	\$9,800,655	\$4,940,720	\$71,932,200	\$86,673,575



Capital Investments



Capital Investments

Preliminary Base FY2021 Facility Capital Investments

University of Maine		E&G	Auxiliary
Various Projects; annual funded depreciation		3,091,972	
Engineering Education Design Center		500,000	
Projects that come up on an annual basis		487,582	
Memorial Gym funded depreciation		140,000	
Alfond Arena funded depreciation		48,500	
First phase of replacing residence ralls electronic doorlocks			927,342
Capital reserve deposit (to be utilized in FY2022 or after)			1,138,461
	Total:	4,268,054	2,065,803
University of Maine at Machias		E&G	Auxiliary
Projects that come up on an annual basis		11,750	0
	Total:	11,750	0