FY19 Budget Cycle

Develop preliminary FY19 Budget Working with VP’s, Deans & Directors

Campus FY19 Budget Development
*Initial Conversations*

<table>
<thead>
<tr>
<th>Jul</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Enrollment update</td>
<td>Review of allocations &amp; assumptions</td>
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</tbody>
</table>

Key
FF&T = Finance, Facilities & Technology
BOT = Board of Trustees

2017

<table>
<thead>
<tr>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
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2018

<table>
<thead>
<tr>
<th>Nov 9th</th>
<th>February TBD</th>
<th>May TBD</th>
</tr>
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<tbody>
<tr>
<td>1st iteration of FY19 budgets updated into Maine-Street by 01/15/18</td>
<td>Final budget approved by BOT TBD</td>
<td></td>
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Initial budget review by members of FF&T
Budget reviewed by FF&T of BOT

November 9th
FY18 E&G Revenue & Expense Base

Revenue:
- Tuition & Fees (net of $3.0M waivers): $155.8M
- Indirect Costs: $8.4M
- Sales/Transfers/Other: $19.2M
- Unrestricted State Appropriation: $83.8M

Total Revenue: $267.2M

Expense:
- Compensation & Benefits: $158.6M
- Institutional Aid: $46.1M
- All Other: $62.5M
- 3.7% Fuel & Electricity: $10.0M
- 2.4% Capital: $6.5M
- 2.4% Library Acquis.: $6.5M
- 6.8% Shared Services: $18.2M
- 1.0% Travel: $2.6M
- 7.0% Other: $18.7M
Focus on E&G Revenue

Incremental Revenue Components

Unrestricted State Appropriation

$83.8M

- Legislative support – importance of higher education to state
- Showcase UMaine’s mission throughout the state
Focus on E&G Revenue

Incremental Revenue Components

Sales / Transfers / Other

$19.2M

- Transfers from Auxiliaries in support of E&G $3.3M
- Athletics $4.7M, DIC $2.1M, UMCE $1.7M, Clinics, Conferences, etc.
Focus on E&G Revenue

**INCREMENTAL REVENUE COMPONENTS**

- Indirect Cost Recovery
  - $8.4M
  - Reorganize Office of Research to grow research and help maximize grant funding
  - Optimize use of MEIF funds to support research and its impact in targeted Maine economic sectors
Focus on E&G Revenue

**INCREMENTAL REVENUE COMPONENTS**

- **Tuition & Fees**
  (net of $3.0M waivers)
  - $155.8M
- Greatest % of total revenue
- Importance to supporting campus costs and initiatives
First Year Enrollment 2-Yr Headcount Comparison

<table>
<thead>
<tr>
<th>Year</th>
<th>In-State</th>
<th>Out-of-State</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2016</td>
<td>1,259</td>
<td>971</td>
<td>2,230</td>
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<tr>
<td>Fall 2017</td>
<td>1,180</td>
<td>1,119</td>
<td>2,299</td>
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</table>

2,300 Census Goal
Enrollment: Strategic Growth

Fall 2017 Headcount

9,279 Undergraduates

1,961 Graduates

11,240 Total Enrollment
10-yr Credit Hour Comparison

**UNDERGRADUATE**

**Credit Hours**

- **Total**: 125,672
  - **In-State**: 103,163
  - **Out-of-State**: 22,509

**Credit Hours**

- **Total**: 129,520
  - **In-State**: 82,045
  - **Out-of-State**: 47,475

**Percent Changes**

- **In-State**: 3.1% Increase
- **Out-of-State**: 110.9% Increase
- **Total**: 20.5% Decrease
10-yr Credit Hour Comparison

**Credit Hours**

**GRADUATE**

- **Total** 11,180
- **In-State** 8,545
- **Out-of-State** 2,635

**Credit Hours**

- **Total** 9,767
- **In-State** 6,477
- **Out-of-State** 3,290

12.6% Decrease

24.2% Decrease

24.9% Increase
New England Land Grants

**Increase in Out-of-State Undergraduate Degree-Seeking Students**

<table>
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<tr>
<th>Year</th>
<th>UVM</th>
<th>UNH</th>
<th>URI</th>
<th>UM</th>
<th>UMASS</th>
<th>UCONN</th>
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<tr>
<td>2010</td>
<td>17%</td>
<td></td>
<td></td>
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<tr>
<td>2011</td>
<td>18%</td>
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<tr>
<td>2012</td>
<td>20%</td>
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<tr>
<td>2013</td>
<td>22%</td>
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<tr>
<td>2014</td>
<td>26%</td>
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<tr>
<td>2015</td>
<td>28%</td>
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<tr>
<td>2016</td>
<td>32%</td>
<td></td>
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<tr>
<td>2017</td>
<td>36%</td>
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**Increase of 19% points over 8 years**

**Fall 2017**

First-year Class Profile

- **51%** In-State
- **49%** Out-of-State
High School Graduate Trends

20-year Projections from School Year 2011-2012 through 2031-2032

Source: Western Interstate Commission for Higher Education (WICHE)
Enrollment: Strategic Growth

Shaping UMaine’s Student Body

• Accept students who are prepared to succeed
• Enhance access through partnership
Enrollment: Strategic Growth

How are we doing this?

- Phase out remediation programs
- Manage admission to high-demand programs
- Aggressively pursue top Maine students
- Increase support for outstanding students
- Improve overall student success
Phase out remediation programs

✅ Phase out remediation programs

- Manage admission to high-demand programs
- Aggressively pursue top Maine students
- Increase support for outstanding students
- Improve overall student success

• Eliminated Onward Program – 2016
• Eliminated Foundations – 2017

Impact

- Mean First Year SAT up 4 points
  - 2016 = 1147
  - 2017 = 1151

- First Year 25th percentile up 10 points
  - 2016 = 1050
  - 2017 = 1060

Next Steps

- Direct students who meet criteria for Foundations to University of Maine at Augusta and University of Maine at Machias
- Establish criteria for these students to earn automatic admission to UMaine
Manage admission to high-demand programs

- Phase out remediation programs
- Manage admission to high-demand programs
  - Aggressively pursue top Maine students
  - Increase support for outstanding students
  - Improve overall student success
- High demand programs (Engineering, Nursing)
  - Elevate acceptance criteria
  - Create waiting lists
  - Enforce confirmation dates

Next Steps
Add additional high demand programs (e.g., Business)
Aggressively Pursue Top Maine Students

- Maine Top Scholars Program
  - Top 20 Maine students accepted
  - Full scholarship (100% tuition & fees)
  - Matched to faculty research mentor
  - $500 per year for research expenses

- Implemented with Fall 2017 First Year Class
  - 38 Maine Top Scholars

Next Steps

High school junior Maine Science Fair winners
Featured in *Vision for Tomorrow* campaign
Increase support for outstanding students

- Created an Office of Major Scholarships, Fall 2017
  - Major Scholarships Coordinator
  - Office in Library
  - Hub for information
  - Mentoring students
  - Workshops for students and faculty
  - Application support

Next Steps

Expand experiential learning opportunities for students through Center for Undergraduate Research (CUGR)
Improve overall student success

- Improve four-year graduation rate
  - Think 30
  - Impact: 10% increase in students who earn 30+ credit hours in first year
- Invest in student advising

Next Steps

- Improve success rate in gateway courses
- Use smart technology

Phase out remediation programs
Manage admission to high-demand programs
Aggressively pursue top Maine students
Increase support for outstanding students
✓ Improve overall student success
Summary

✓ Enrollment is essential to our financial health
✓ Changing demographics is a challenge
✓ University of Maine has a plan to move forward

Enrollment is Everybody’s Business!
FY19 Budget Levers

Non-Discretionary
- **Tuition & Fees**
  - In-State & Out-of-State Increase
  - State Mandated Waivers
  - Increase in Unpaid Student Accounts
- **State Appropriation**
- **Compensation**
  - Salary & Wage Negotiated Increases
  - Employee Salary & Wage Benefits
- **Operational Increases**
  - Facility Insurances
  - University Shared Services
  - Required Increase in Capital Funding

Strategic
- **Tuition & Fees**
  - Enrollment Adjustments
  - Scholarship Increases (Including Flagship Match, Need Based, Maine Match, Top Scholars, etc.)
- **Investments**
  - Academic Investments
  - Student Affairs Investments
  - Transitioning of Academic One-time Positions to Base
  - Admissions Enrollment Efforts
  - Facilities/Capital Investments/Utilities
  - Library Acquisitions
Where are we today?

Final

• Enrollment projections based on another incoming class of 2,300
• Tuition and fee increases
• State appropriation allocation (last year of Outcomes Based Funding)
• University Shared Services cost increases

Finalizing

• Compensation, including benefits
• Financial Aid and Waiver increases
• Strategic investments

The current outlook is positive. Colleges have been given approval to move forward to replace faculty positions.
Questions