FY2019 MEIF / Auxiliary Services / E&G Budget Discussion

May 22, 2018

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May 22, 2018
Maine Economic Improvement Fund (MEIF)

MEIF Sectors

- Aquaculture & Marine Science
- Biotechnology
- Composites
- Cross Sector
- Environmental
- Forestry & Agriculture
- Information Technology
- Precision Manufacturing

- Maine Economic Improvement Fund is a Restricted State Appropriation.
- The University of Maine supports the Maine Economic Improvement Fund with E&G dollars to cover the contractual salary increases and changes in benefit rates.
- Funds are used to build research infrastructure in the technology sectors identified by the State.
  - Leverage external grants and contracts
  - Support researchers and technicians
  - Support graduate and undergraduate students stipends
  - Support product innovation
  - Purchase equipment to upgrade university labs
  - Protect intellectual property developed by these activities
### FY2018

**FY18 MEIF base appropriation** to UMaine: $13.3M

**UMaine unrestricted support**: $5.8M

**Total MEIF funds**: $19.1M

- **Cost Share**: $2.7M (10.2%)
- **Salaries, Wages, Benefits & Stipends**: $14.5M (75.8%)
- **Operating**: $1.9M (14.0%)

### FY2019

**FY19 MEIF base appropriation** to UMaine: $13.3M

**UMaine unrestricted support**: $6.0M

**Total MEIF funds**: $19.3M

- **Cost Share**: $2.0M (10.5%)
- **Salaries, Wages, Benefits & Stipends**: $14.8M (76.6%)
- **Operating**: $2.0M (10.3%)
- **Start-up**: $0.5M (2.6%)
Maine Economic Improvement Fund (MEIF)

Accumulated Deficit

- **FY16**: $16.8M
  - Start-Up: $2.4M
  - Salaries, Wages & Benefits: $13.1M
  - Cost Share: $1.3M
- **FY17**: $18.5M
  - Start-Up: $3.5M
  - Salaries, Wages & Benefits: $13.6M
  - Cost Share: $1.4M
- **FY18**: $19.0M
  - Start-Up: $2.6M
  - Salaries, Wages & Benefits: $14.5M
  - Cost Share: $1.9M
- **FY19**: $19.3M
  - Start-Up: $0.5M
  - Salaries, Wages & Benefits: $14.8M
  - Cost Share: $2.0M

Projections:
- Anticipated Deficit: $7.5M

- FY16: $1.4M
- FY17: $2.8M
- FY18: $5.7M
- FY19: $7.5M
Steps taken to Improve Fund Management and Reduce Deficit

- Some reductions made to ongoing operating commitments
- Identified salaries to move to E&G
- When fixed length commitments are ended, use as much of the funds for deficit reduction
- Observe caps built into the budget for cost share and start ups
FY19 MEIF Breakdown by Sector

- Forestry & Agriculture: $2.8M (14.5%)
- Aquaculture & Marine Science: $4.1M (21.2%)
- Environmental: $2.1M (10.9%)
- Biotechnology: $1.8M (9.3%)
- Composites: $2.7M (14.0%)
- Precision Manufacturing: $2.0M (10.4%)
- Cross Sector: $1.1M (5.7%)
- Forestry & Agriculture: $2.7M (14.0%)

Total: $19.3M
Auxiliary Services
**FY19 Auxiliary Services**

**Revenue**
- Residence: 38.0%, $19.9M
- Dining: 36.8%, $19.3M
- Bookstore: 13.4%, $7.0M
- Printing: 2.5%, $3.5M
- Rec Center: 6.7%, $1.4M
- Other (Interdepartmental): 2.6%, $1.3M

**Total Revenue:** $19.9M

**Expense**
- Salaries & Wages: 33.6%, $17.6M
- Supplies & Services: 25.2%, $13.2M
- Fuel & Electricity: 7.1%, $4.2M
- Capital & Reserves: 11.5%, $3.3M
- Maintenance & Alterations: 8.0%, $3.2M
- Transfers to E&G: 6.0%, $1.2M
- Scholarships: 2.3%, $1.1M
- Other: 8.0%, $3.3M

**Total Expense:** $17.6M

**Total:** $52.4M
Auxiliary Services – FY18 Projects

$6.4M Invested in Projects and Improvements

Dining Services
$4.4M
Bear’s Den reno
Wells A/V upgrades
Digital signage boards
Hilltop roof

Residence Halls
$1.7M
Flooring
Wi-Fi
Bathroom
Study lounges
ADA improvements
LED lighting
Furniture
Single bathrooms

Resident Parcels
$171K
New system for dispatching packages to provide more secure and expanded options is being implemented
Auxiliary Services – FY18 Projects

$6.4M Invested in Projects and Improvements

**Bookstore**
- New front counters
- All-inclusive digital textbooks
- Payroll deductions for Apple
- Flooring

**Printing Services**
- New LED lighting
- New software for job submissions and A/P
- New cutting and folding machines
- Enhanced digital printing

**Bear Necessities**
- New doors and awning
- New store fixtures
- New lighting
FY19 E&G

Total: $281.6M

Revenue

- Tuition & Fee Revenue (net of 3.1M in waivers): $169M, 60.0%
- State Appropriation: $83.5M, 29.7%
- Transfers from Auxiliaries: $3.3M, 1.2%
- Sales & Services/Other: $17.4M, 6.1%
- Indirect Cost Recovery: $8.4M, 3.0%

Expense

- Compensation & Benefits: $165.1M, 58.6%
- Scholarships & Grants: $51.4M, 18.3%
- Other: $65.1M, 23.1%

- 7.1% Other
- 6.6% Shared Services
- 3.5% Fuel & Electricity
- 2.5% Capital
- 2.4% Library Acquisitions
- 1.0% Travel

$17.4M $8.4M

$169M $83.5M

$3.3M
Tuition and Room & Board Rates

Tuition -- per Credit Hour

<table>
<thead>
<tr>
<th></th>
<th>FY18 Current</th>
<th>FY19 Proposed</th>
<th>Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-State Undergraduate</td>
<td>$286</td>
<td>$293</td>
<td>$7</td>
<td>2.4%</td>
</tr>
<tr>
<td>In-State Graduate</td>
<td>$420</td>
<td>$439</td>
<td>$10</td>
<td>2.3%</td>
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<tr>
<td>Out-of-State Undergrad</td>
<td>$932</td>
<td>$968</td>
<td>$21</td>
<td>2.3%</td>
</tr>
<tr>
<td>Out-of-State Graduate</td>
<td>$1,327</td>
<td>$1,430</td>
<td>$112</td>
<td>8.4%</td>
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<tr>
<td>NEDHE/Canadian Undergrad</td>
<td>$458</td>
<td>$469</td>
<td>$11</td>
<td>2.3%</td>
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<tr>
<td>Graduate</td>
<td>$686</td>
<td>$702</td>
<td>$16</td>
<td>2.3%</td>
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Room & Board Rates*

<table>
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<tr>
<th></th>
<th>FY18 Current</th>
<th>FY19 Proposed</th>
<th>Increase</th>
<th>% Increase</th>
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</thead>
<tbody>
<tr>
<td>Room</td>
<td>$5,270</td>
<td>$5,306</td>
<td>$126</td>
<td>2.4%</td>
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<tr>
<td>Board</td>
<td>$4,875</td>
<td>$5,022</td>
<td>$127</td>
<td>2.7%</td>
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<tr>
<td>Total</td>
<td>$10,145</td>
<td>$10,418</td>
<td>$273</td>
<td>2.7%</td>
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*Board rates shown are based on the meal plan with the greatest projected number of diners. Room rates are based on double occupancy. Several other meal plans and room rates are available.

Mandatory Fees

<table>
<thead>
<tr>
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<th>FY19 Proposed</th>
<th>Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Student Activity Fee*</td>
<td>1 or More Credit Hours</td>
<td>$80</td>
<td>$90</td>
<td>10</td>
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<tr>
<td>Undergraduate Student Activity Fee*</td>
<td>6 or More Credit Hours</td>
<td>$106</td>
<td>$106</td>
<td>0</td>
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<tr>
<td>Communication Fee*</td>
<td>6 or More Credit Hours</td>
<td>$30</td>
<td>$30</td>
<td>0</td>
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<tr>
<td>Recreation Center Fee</td>
<td>0 to 5 Credit Hours</td>
<td>$162</td>
<td>$170</td>
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<tr>
<td></td>
<td>6 or More Credit Hours</td>
<td>$270</td>
<td>$284</td>
<td>14</td>
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<tr>
<td>Unified Fee*</td>
<td>0 to 5 Credit Hours</td>
<td>$256</td>
<td>$262</td>
<td>6</td>
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<tr>
<td></td>
<td>6 to 11 Credit Hours</td>
<td>$782</td>
<td>$800</td>
<td>18</td>
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<tr>
<td></td>
<td>12 to 15 Credit Hours</td>
<td>$1,916</td>
<td>$1,960</td>
<td>44</td>
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<tr>
<td></td>
<td>16 or More Credit Hours</td>
<td>$1,988</td>
<td>$2,013</td>
<td>45</td>
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*Student voted fee
## 2018-19 Academic Year Costs

### Undergraduate

<table>
<thead>
<tr>
<th></th>
<th>Annual Tuition</th>
<th>Mandatory Fees</th>
<th>Tuition &amp; Fees</th>
<th>Room &amp; Board</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>In-State</td>
<td>$ 8,790</td>
<td>2,380</td>
<td>11,170</td>
<td>10,418</td>
<td>$ 21,588</td>
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<tr>
<td>Out-of State</td>
<td>$ 28,590</td>
<td>2,380</td>
<td>30,970</td>
<td>10,418</td>
<td>$ 41,388</td>
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<tr>
<td>NEBHE/Can</td>
<td>$ 14,070</td>
<td>2,380</td>
<td>16,450</td>
<td>10,418</td>
<td>$ 26,868</td>
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### Graduate

<table>
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<tr>
<th></th>
<th>Annual Tuition</th>
<th>Mandatory Fees</th>
<th>Tuition &amp; Fees</th>
<th>Room &amp; Board</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-State</td>
<td>$ 7,902</td>
<td>1,204</td>
<td>9,106</td>
<td>10,418</td>
<td>$ 19,524</td>
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<tr>
<td>Out-of State</td>
<td>$ 25,740</td>
<td>1,204</td>
<td>26,944</td>
<td>10,418</td>
<td>$ 37,362</td>
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<tr>
<td>NEBHE/Can</td>
<td>$ 12,636</td>
<td>1,204</td>
<td>13,840</td>
<td>10,418</td>
<td>$ 24,258</td>
</tr>
</tbody>
</table>
Provide support for campuses in the form of foundational forecasting information that would be incorporated into final projections and subsequent enrollment management plans.

Window for collaborative proposals that impact $ distribution

- Campus Budget Development
  Development of 1-yr & 5-yr Capital Plan

- Enrollment Report
  Fall Census

- Spring Census
  Spring Enrollment Update

- Forecast to BOT

Annual rolling 3-year enrollment management plans due by November 30. Plans include the current fiscal year, as well as the next two years.

Campuses develop 5-year enrollment projections for Multi-year Financial Analysis. To include upcoming fiscal year and the following four.

First reading of draft campus budgets with Board Chair, FFT Chair and senior UMS Leadership.

- USAC reviews & approves Univ. Svs. allocations

- Legislative requests due to State Budget Office

- Finalize Benefit Rate Assumption

- Finalize Compensation Assumption

- BOT – Board of Trustees
- FFT – Finance, Facilities & Technology
- MYFA – Multi-Year Financial Analysis
- USAC – University Services Advisory Council

Spring 2018
Provide support for campuses in the form of foundational forecasting information that would be incorporated into final projections and subsequent enrollment management plans.

Window for collaborative proposals that impact distribution

July
- Finalize Compensation Assumption
- Finalize Benefit Rate Assumption
- Legislative requests due to State Budget Office

Aug
- Fall Census
- Enrollment Report
- USAC reviews & approves Univ. Svs. allocations

Sept
- Campus Budget Development
  Development of 1-yr & 5-yr Capital Plan

Oct
- Forecast to BOT

Nov
- First reading of draft campus budgets with Board Chair, FFT Chair and senior UMS Leadership.

Dec
- Campus Budgets Due
- Spring Census
- Annual rolling 3 year enrollment management plans due by November 30. Plans include the current fiscal year, as well as the next two years.

Jan
- Forecast to BOT

Feb
- Forecast to BOT

Mar
- Forecast to BOT

May
- BOT Budget Approval
- USAC reviews & approves Univ. Svs. allocations

Jun
- FFT 2nd reading

Bot – Board of Trustees
FFT – Finance, Facilities & Technology
MYFA – Multi-Year Financial Analysis
USAC – University Services Advisory Council
Provide support for campuses in the form of foundational forecasting information that would be incorporated into final projections and subsequent enrollment management plans.

Window for collaborative proposals that impact $ distribution

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Oct
- USAC reviews & approves Univ. Svvs. allocations
- Enrollment Report
- Fall Census
- Forecast to BOT

Nov
- Enrollment Forecast Census to BOT
- Development of 1-yr & 5-yr Capital Plan
- Campus Budget Development
- Development of 1-yr & 5-yr Capital Plan

Dec
- Annual rolling 3 year enrollment management plans due by November 30. Plans include the current fiscal year, as well as the next two years.

Jan
- First reading of draft campus budgets with Board Chair, FFT Chair and senior UMS Leadership
- Campus Budgets Due
- FFT 2nd reading
- MYFA Enrollment Update
- MYFA Finalize Compensation Assumption
- MYFA Finalize Benefit Rate Assumption
- FFT 1st reading
- MYFA Present to BOT
First reading of draft campus budgets with Board Chair, FFT Chair and senior UMS Leadership.

Campuses develop 5-year enrollment projections for Multi-year Financial Analysis. To include upcoming fiscal year and the following four.

- **Spring Census**
- **Forecast to BOT**
- **FFT 1st reading**
- **FFT 2nd reading**
- **5 year enrollment projections finalized and presented as part of multi-year financial analysis to BOT in May.**

**Campus MYFA Development**

**BOT Budget Approval**

**MYFA Presented to BOT**