



Budget Forum

Fiscal Year 2017-2018

March 2, 2017

Vision that Reflects Pacific's Values

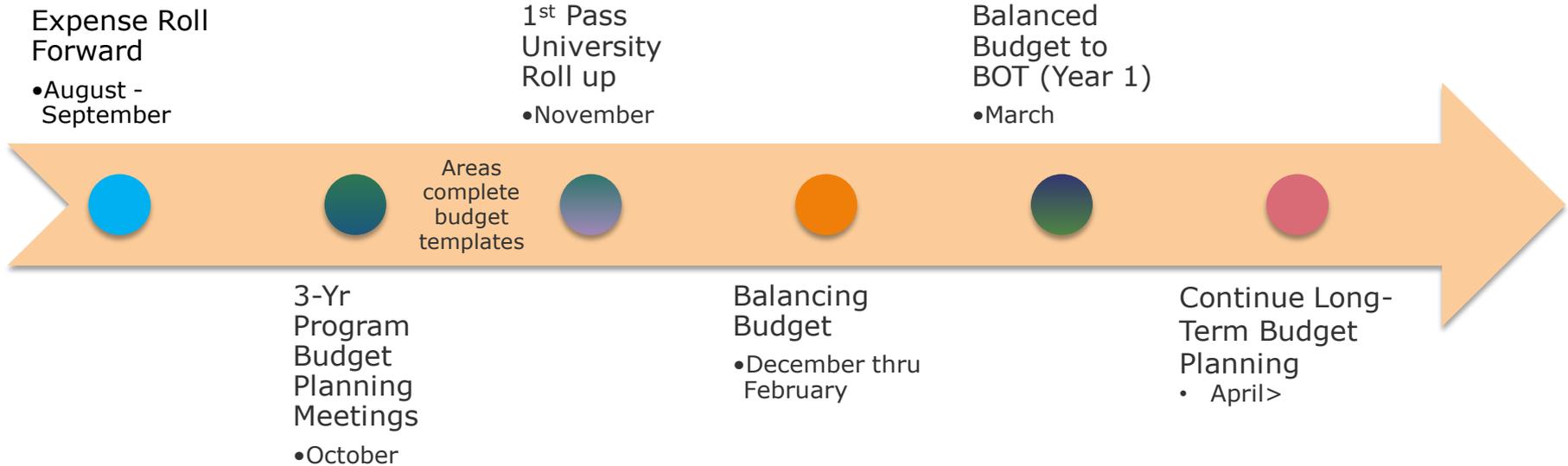
- Discovery is an integral and essential component of the education process.
- The highest quality programs are delivered in a manner that is sustainable economically and environmentally.
- Pacific's missions of education, discovery and service require a rich diversity of ideas, people and cultures.
- Excellence is achieved by supporting the people who deliver and receive the university's programs.
- Graduates are motivated and prepared to contribute to the global community.

FY 17/18 Proposed Budget

Finance Committee
March 10, 2017
Revision: March 1, 2017



Operations Budget Process Timeline



1st Pass:

Revenue: \$121.3M
Expense: \$130.5M
Net (\$9.2M)

- 3% FG UG Tuition Incr
- Fund all expense & capital requests
- \$585K comparability
- 3% salary increase
- \$2.7M Contingency

Budget Balancing:

Revenue: \$121.8M
Expense: \$125.6M
Net (\$3.8M)

- 3.75% FG UG Tuition Incr
- Fund strategic or essential requests only
- \$0 comparability
- 2% salary increase
- \$2.4M Contingency
- Balancing Targets:
4.5%>Athletics, Library
6%> CAS, COB
3%> CHP, COE, COO, Non-College Admin Support Areas

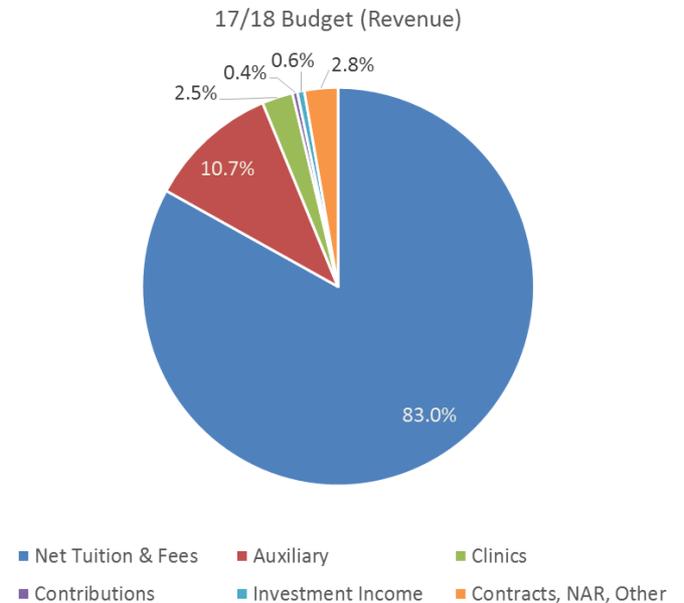
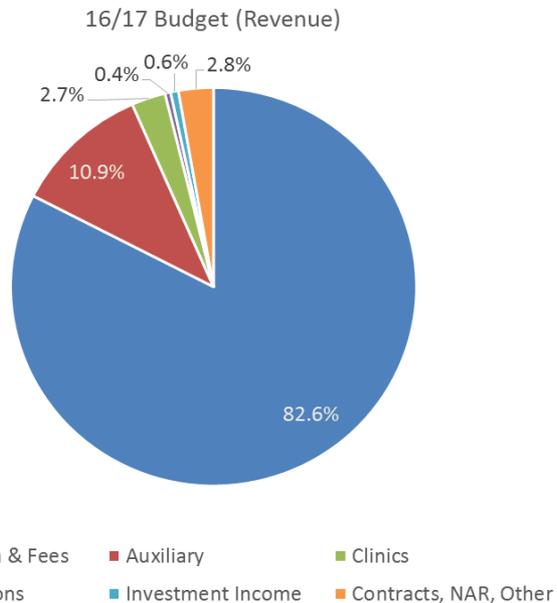
Balanced Budget:

Revenue: \$122.2M
Expense: \$122.2M
Balanced \$0

- All areas met targets \$3.5M expense, \$365K revenue (Ops & IO)
- All expense reductions considered permanent
- Some impact to faculty & staff positions, primarily vacant positions

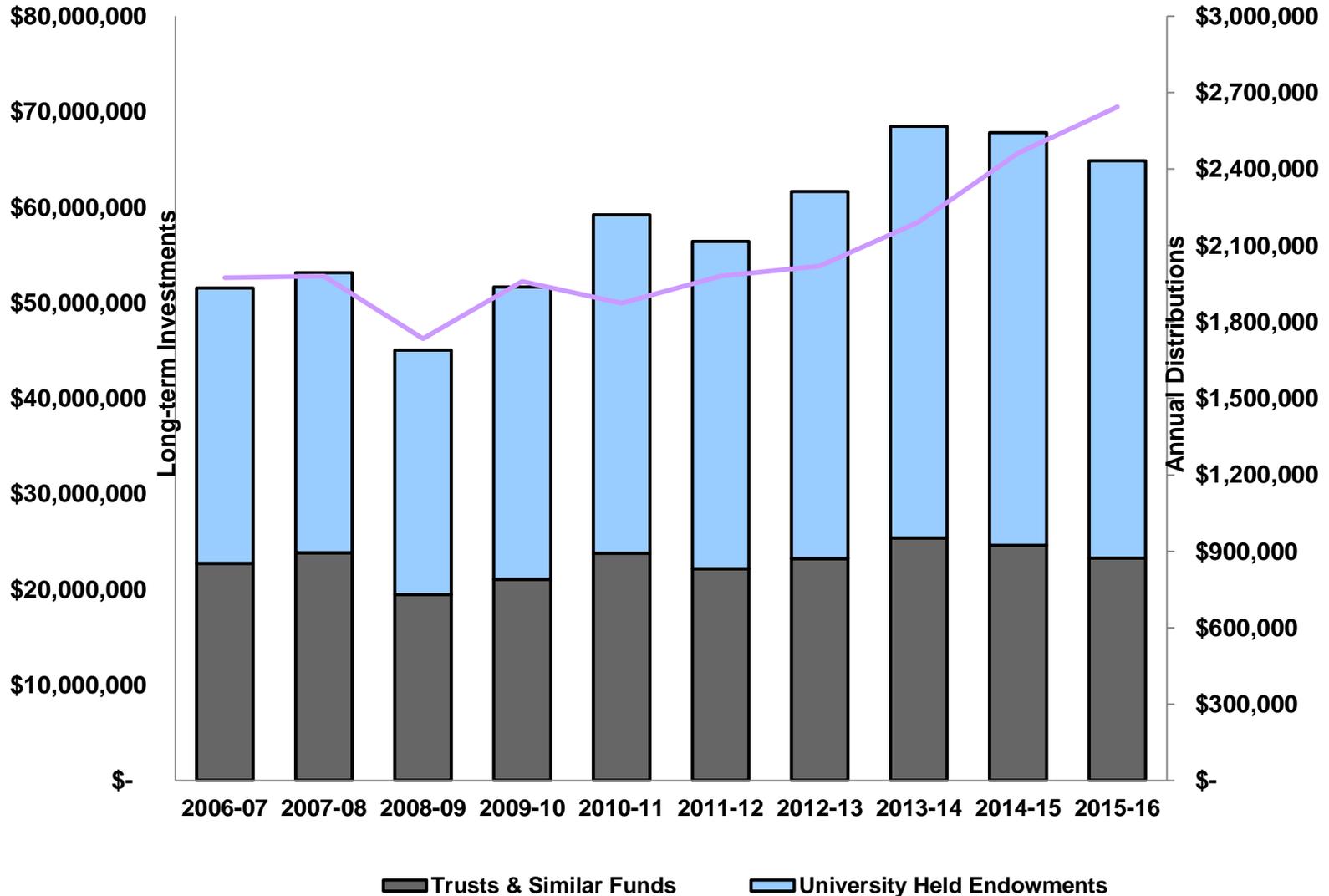
REVENUE

FY 17/18 Proposed Revenue Budget

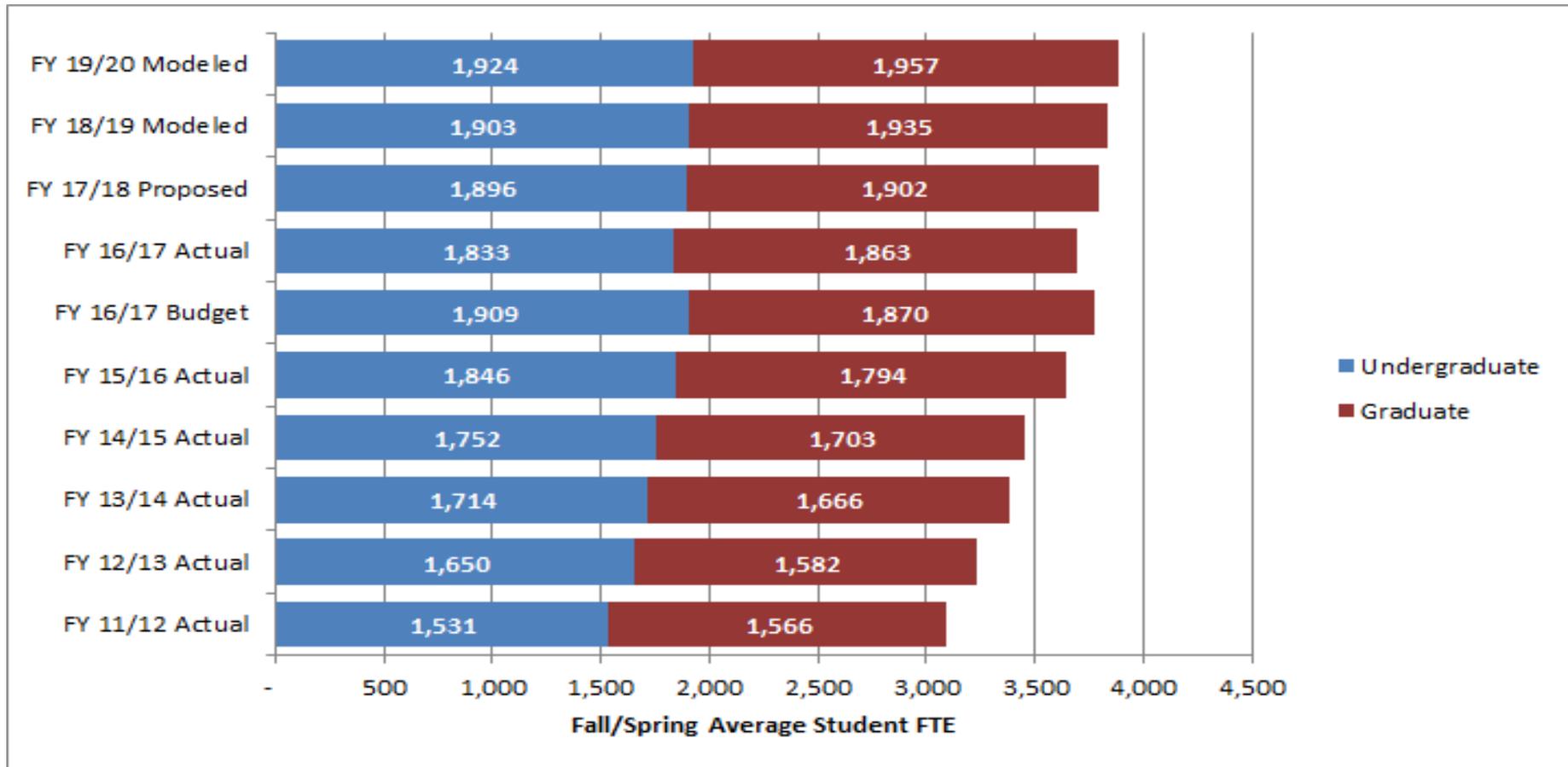


Includes Rolled in Investment Opportunities

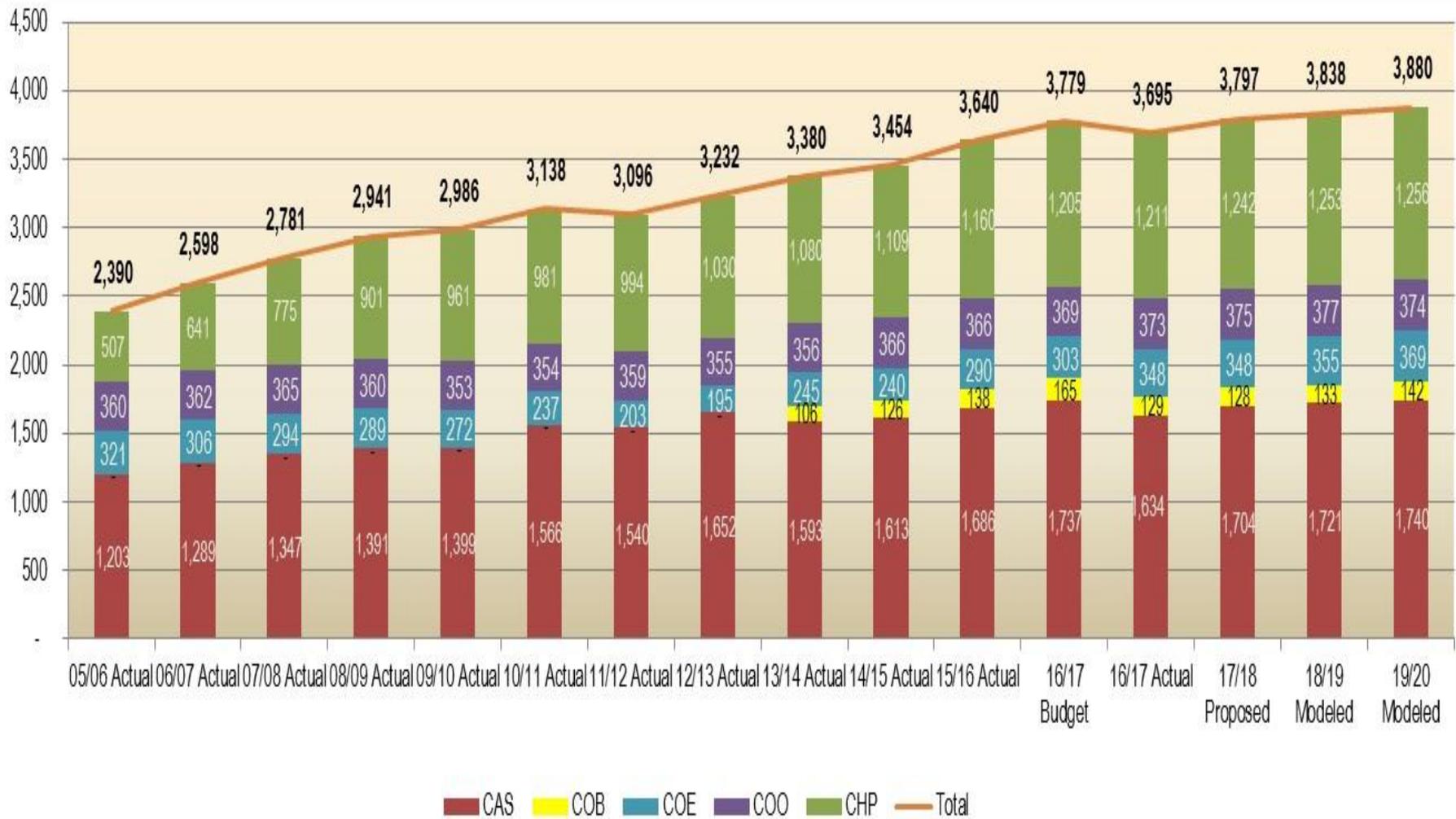
University Held in Endowment, Trust & Similar Vehicles



Graduate & Undergraduate Avg FTE



Student Average FTE



Proposed Enrollment (Summary by College)

	Actual Fall/Spring Average				Approved Budget	Actual	Proposed			Modeled	
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17 (Avg)	FY 16/17 (Avg)	FY 17/18 (Avg)			FY 18/19 (Avg)	FY 19/20 (Avg)
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	% over PY Budget	FTE over PY Bd Apprvd	FTE	FTE
College of Arts & Sciences (UG FG, MFA, MSW)	1,652	1,593	1,613	1,686	1,737	1,634	1,704	-1.9%	(33)	1,721	1,740
College of Business (UG FG, MSF, MBA)	-	106	126	138	165	129	128	-22.5%	(37)	133	142
College of Education (SLT, SCSD)	195	245	240	290	303	348	348	14.9%	45	355	369
College of Optometry (OD, MS, PhD)	355	356	366	366	369	373	375	1.6%	6	377	374
College of Health Professions	1,030	1,080	1,109	1,160	1,205	1,211	1,242	3.1%	37	1,253	1,256
Total	3,232	3,380	3,454	3,640	3,779	3,695	3,797	0.5%	18	3,838	3,880

Includes Investment Opportunities

% over PY >

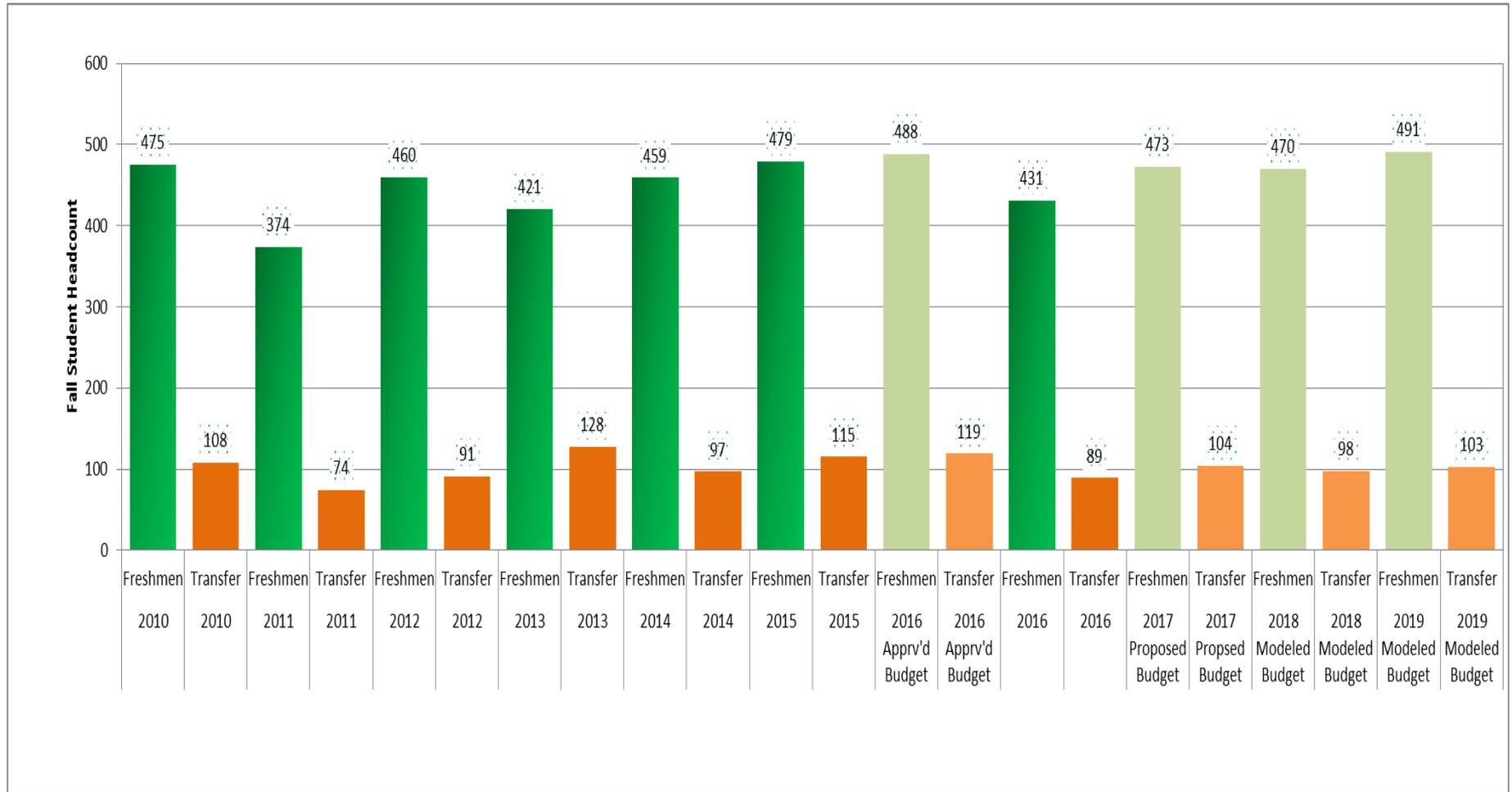
0.5%

1.1%

1.1%

Note: Jointly enrolled students are single counted in the primary program. ELI is excluded.

Undergraduate FG New Student Headcount (Proposed Fall 2017)

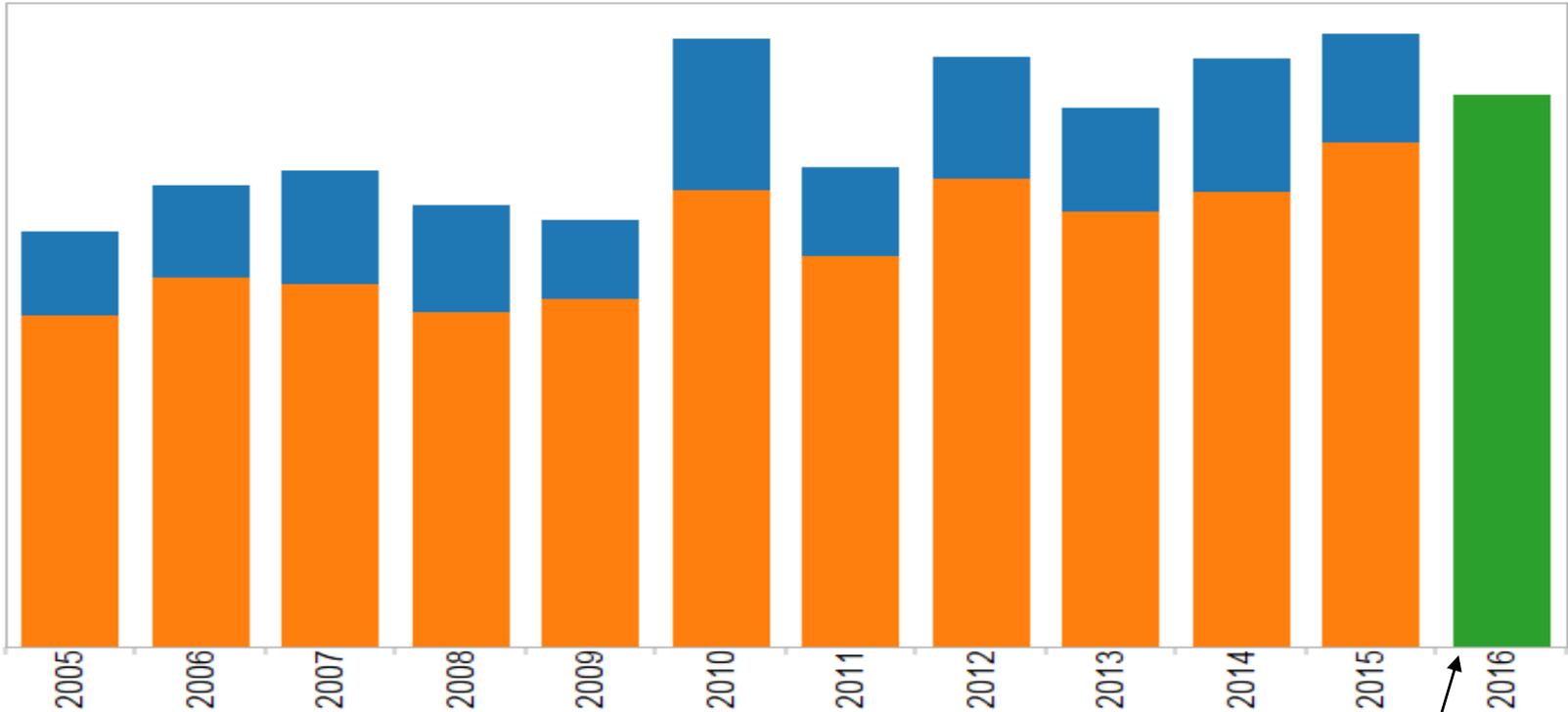


UG FG Freshmen to Sophomore Retention

Retention Rates and Headcount of Freshmen by Year

Cohort Year
All

- Not Retain..
- Retained
- N/A



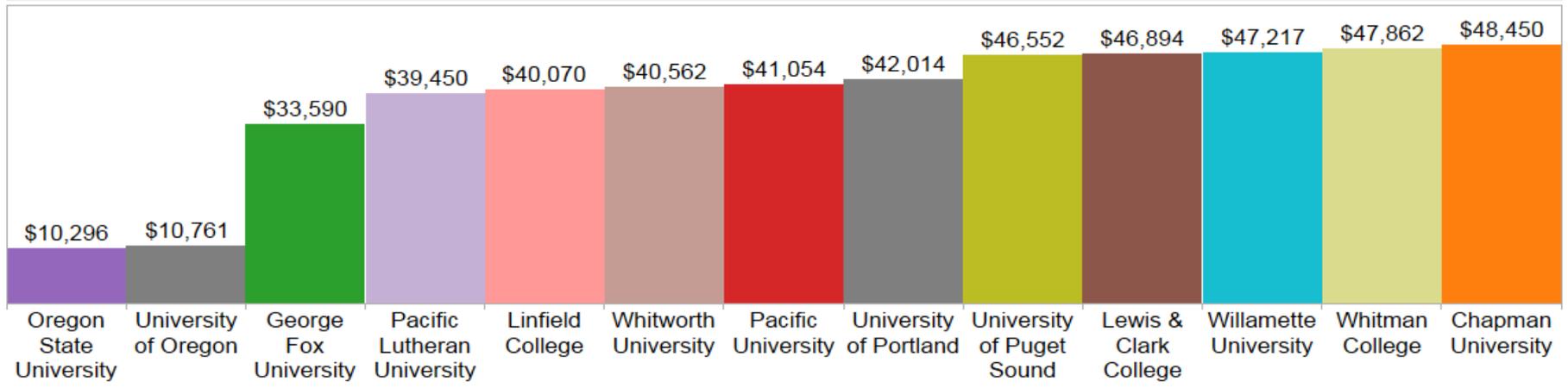
HCT	324	360	372	345	333	475	374	460	421	459	479	431
% Retained	80%	80%	76%	76%	81%	75%	82%	79%	81%	77%	82%	

17/18 Proposed Budget assumes 80% retained (345).
18/19 80%, 19/20 81%

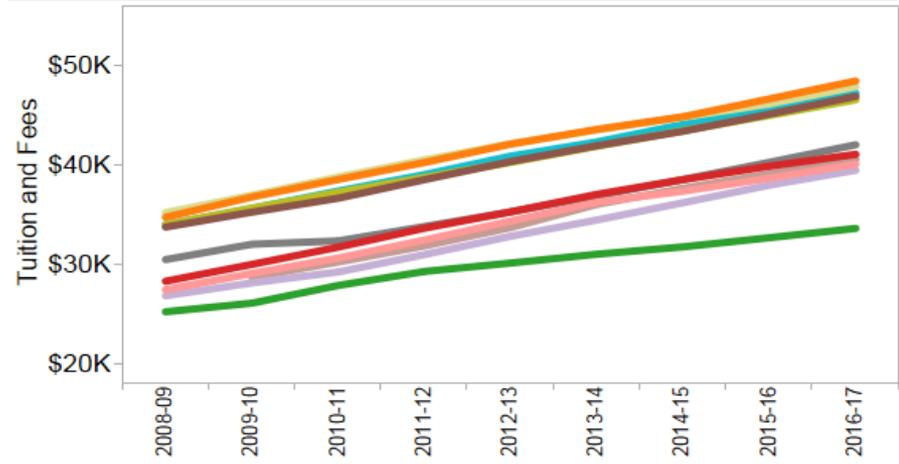
Historical data provided by IR

Undergraduate Tuition/Fee Comparisons

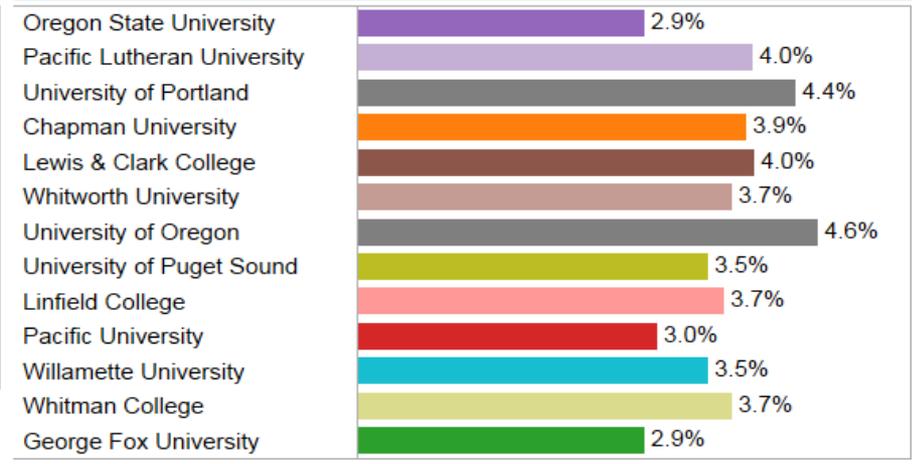
Tuition and Fees Comparisons 2016-17



Tuition and Fees Trends

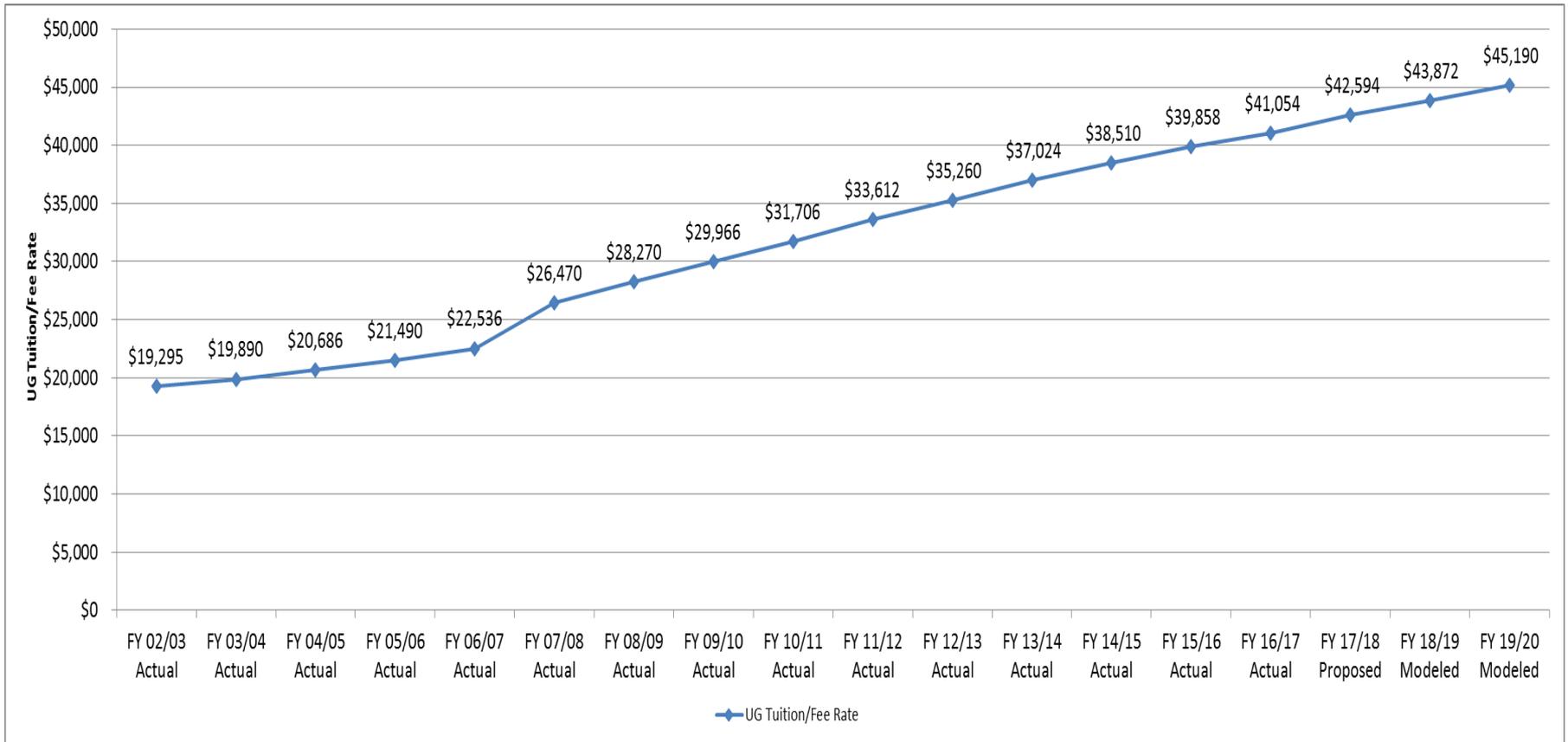


Current Year Increase over Previous Year



Data provided by IR

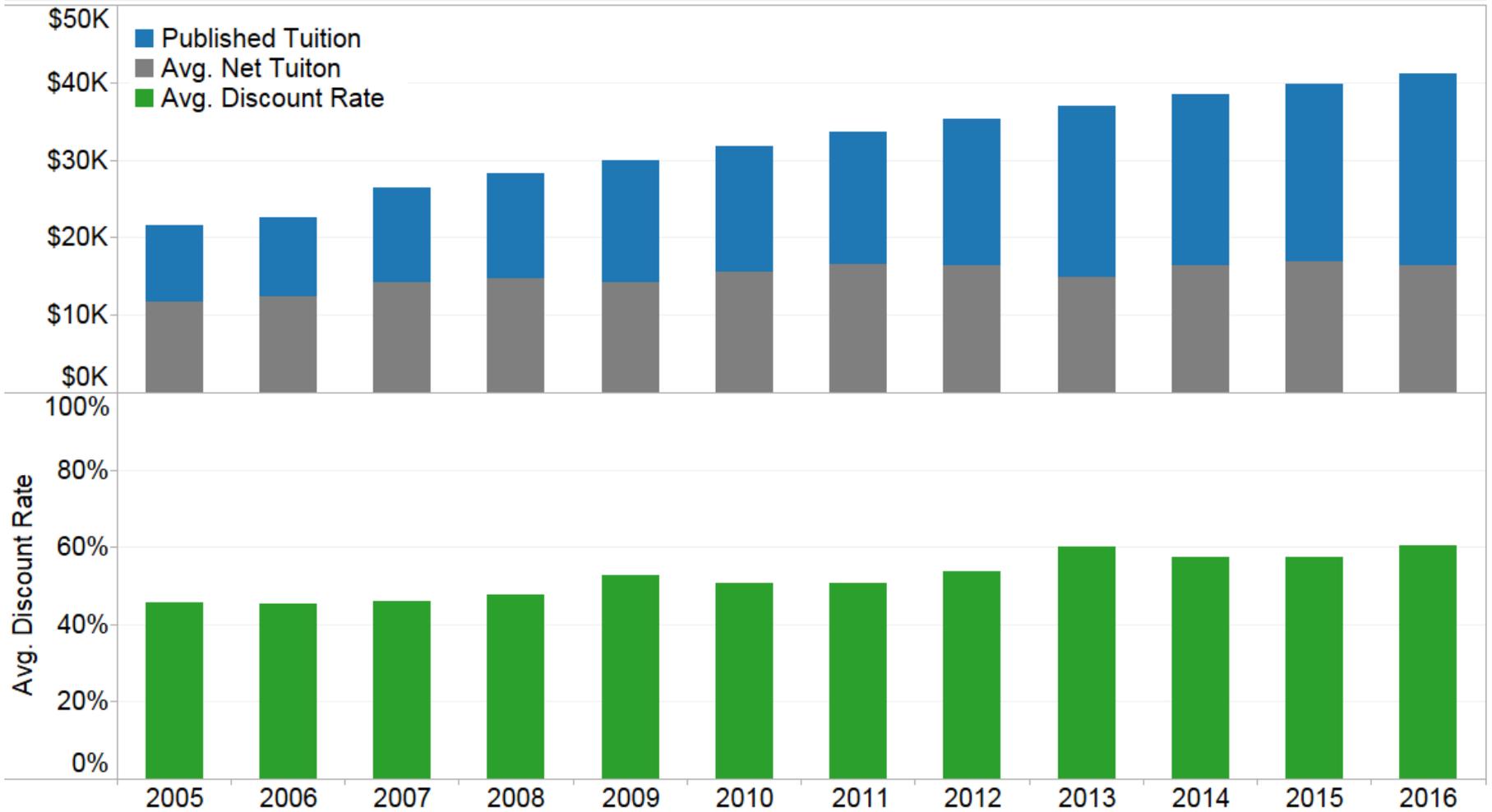
FG Undergraduate Tuition/Fee (Sticker Price)



	FY 02/03 Actual	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Actual	FY 06/07 Actual	FY 07/08 Actual	FY 08/09 Actual	FY 09/10 Actual	FY 10/11 Actual	FY 11/12 Actual	FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Proposed	FY 18/19 Modeled	FY 19/20 Modeled	Increase since FY 02/03
UG Tuition/Fee Rate	\$19,295	\$19,890	\$20,686	\$21,490	\$22,536	\$26,470	\$28,270	\$29,966	\$31,706	\$33,612	\$ 35,260	\$ 37,024	\$ 38,510	\$ 39,858	\$ 41,054	\$ 42,594	\$ 43,872	\$ 45,190	
\$ Increase from PY		\$595	\$796	\$804	\$1,046	\$3,934	\$1,800	\$1,696	\$1,738	\$1,908	\$ 1,648	\$ 1,764	\$ 1,486	\$ 1,348	\$ 1,196	\$ 1,540	\$ 1,278	\$ 1,318	\$25,895
% Increase from PY		3.1%	4.0%	3.9%	4.9%	17.5%	6.8%	6.0%	5.8%	6.0%	4.9%	5.0%	4.0%	3.5%	3.0%	3.75%	3.00%	3.0%	134%

UG Freshmen Tuition Discount Trend

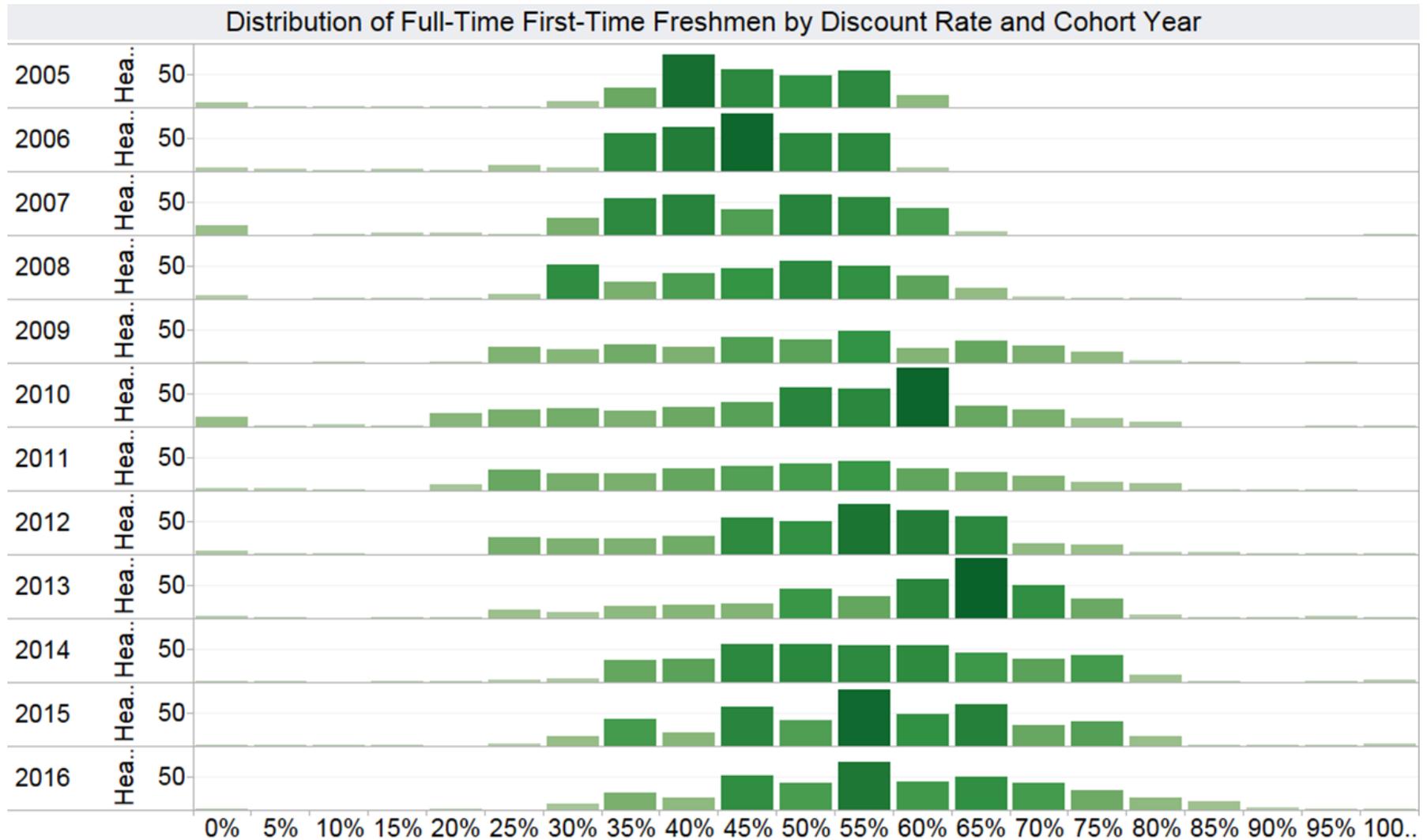
Freshmen Discount Rate



Excludes tuition benefit students.

Data provided by IR

UG Freshmen Tuition Discount Distributions



Data provided by IR

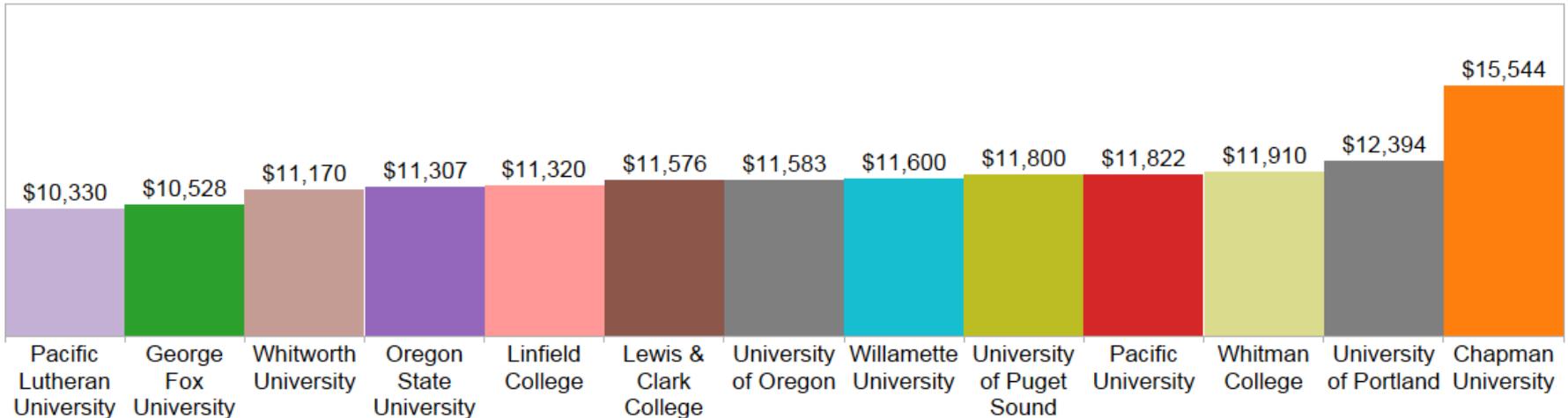
Proposed Tuition/Fee Rates

	Actual Tuition/Fee Rate				Proposed	Modeled	Modeled
	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Forest Grove Undergraduate (CAS, COE, COB)	\$ 37,024 5.0%	\$ 38,510 4.0%	\$ 39,858 3.5%	\$ 41,054 3.0%	\$ 42,594 3.75%	\$ 43,872 3.00%	\$ 45,190 3.00%
Masters of Social Work (2 yr program)	\$ -	\$ 21,760	\$ 21,760 0.0%	\$ 21,760 0.0%	\$ 21,978 1.00%	\$ 22,527 2.50%	\$ 23,203 3.00%
Masters of Social Work (Advanced Standing)	\$ -	\$ -	\$ 22,440	\$ 22,440	\$ 22,664 1.00%	\$ 23,231 2.50%	\$ 23,928 3.00%
Masters of Fine Arts in Writing ~ includes Room Fee	\$ 17,478 2.7%	\$ 17,948 2.7%	\$ 18,432 2.7%	\$ 18,932 2.7%	\$ 19,446 2.71%	\$ 19,975 2.72%	\$ 20,520 2.73%
College of Business (MBA) ~ Credit Hour	\$ -	\$ 630	\$ 788 25.1%	\$ 718 -8.9%	\$ 788 9.75%	\$ 812 3.00%	\$ 836 3.00%
Education ~SLT Graduate per credit (all campuses)	\$ 660 3.0%	\$ 680 3.1%	\$ 680 0.0%	\$ 688 1.2%	\$ 688 0.00%	\$ 709 3.00%	\$ 730 3.00%
Education ~ SLT Eugene & WB Undergraduate	\$ 660 3.0%	\$ 680 3.1%	\$ 680 0.0%	\$ 375 -44.9%	\$ 386 2.93%	\$ 398 3.11%	\$ 409 2.76%
Education Speech-Language Pathology	\$ 29,850 3.0%	\$ 30,746 3.0%	\$ 31,822 3.5%	\$ 32,936 3.5%	\$ 33,924 3.00%	\$ 34,942 3.00%	\$ 35,990 3.00%
Education ~ CSD Post Baccalaureate	\$ 660 3.0%	\$ 680 3.1%	\$ 680 0.0%	\$ 375 -44.9%	\$ 385 2.67%	\$ 398 3.38%	\$ 398 0.00%
Optometry (OD)	\$ 34,572 4.0%	\$ 35,784 3.5%	\$ 37,212 4.0%	\$ 38,520 3.5%	\$ 39,684 3.02%	\$ 40,875 3.00%	\$ 42,101 3.00%
CHP							
Audiology (AUD)	\$ 29,730 2.5%	\$ 30,474 2.5%	\$ 31,236 2.5%	\$ 32,175 3.0%	\$ 33,141 3.00%	\$ 34,135 3.00%	\$ 35,159 3.00%
Dental Hygiene Studies (BS)	\$ 28,745 5.0%	\$ 28,745 0.0%	\$ 29,320 2.0%	\$ 29,320 0.0%	\$ 29,906 2.00%	\$ 30,504 2.00%	\$ 31,115 2.00%
Gerontology (Certificate) ~ Credit Hour	\$ 496 20.4%	\$ 596 20.2%	\$ 742 24.5%	\$ 764 3.0%	\$ 788 3.08%	\$ 812 3.13%	\$ 836 2.88%
Health Science (BS) ~ Credit Hour	\$ 675	\$ 675 0.0%	\$ 450 -33.3%	\$ 455 1.0%	\$ 459 1.00%	\$ 473 3.00%	\$ 487 3.00%
Healthcare Administration (Masters) ~ Credit Hour	\$ 822 6.0%	\$ 872 6.1%	\$ 742 -14.9%	\$ 764 3.0%	\$ 788 3.08%	\$ 812 3.13%	\$ 836 2.88%
Occupational Therapy (OTD)	\$ 32,134 3.5%	\$ 32,942 2.5%	\$ 33,273 1.0%	\$ 34,271 3.0%	\$ 34,271 0.00%	\$ 34,271 0.00%	\$ 34,271 0.00%
Pharmacy (PharmD)	\$ 42,960 2.5%	\$ 43,908 2.2%	\$ 43,908 0.0%	\$ 43,908 0.0%	\$ 45,222 2.99%	\$ 46,126 2.00%	\$ 47,049 2.00%
Pharmacy (PhD/MS Joint) ~ Credit Hour	\$ -	\$ -	\$ -	\$ -	\$ 929	\$ 957 3.01%	\$ 986 3.03%
Physical Therapy (DPT)	\$ 30,752 5.3%	\$ 31,982 4.0%	\$ 32,942 3.0%	\$ 33,930 3.0%	\$ 34,948 3.00%	\$ 35,996 3.00%	\$ 37,076 3.00%
PT Athletic Training (Masters)	\$ 24,000	\$ 24,960 4.0%	\$ 24,960 0.0%	\$ 25,460 2.0%	\$ 25,970 2.00%	\$ 26,489 2.00%	\$ 27,019 2.00%
Physician Assistants (MS)	\$ 33,018 5.0%	\$ 34,671 5.0%	\$ 36,405 5.0%	\$ 38,589 6.0%	\$ 39,747 3.00%	\$ 40,939 3.00%	\$ 42,167 3.00%
Professional Psychology (PsyD & PhD)	\$ 30,468 2.0%	\$ 30,927 1.5%	\$ 31,857 3.0%	\$ 32,814 3.0%	\$ 33,963 3.50%	\$ 34,982 3.00%	\$ 36,032 3.00%
Professional Psychology (MA/MS)	\$ 22,512 3.0%	\$ 22,962 2.0%	\$ 23,652 3.0%	\$ 24,363 3.0%	\$ 25,215 3.50%	\$ 25,971 3.00%	\$ 26,750 3.00%

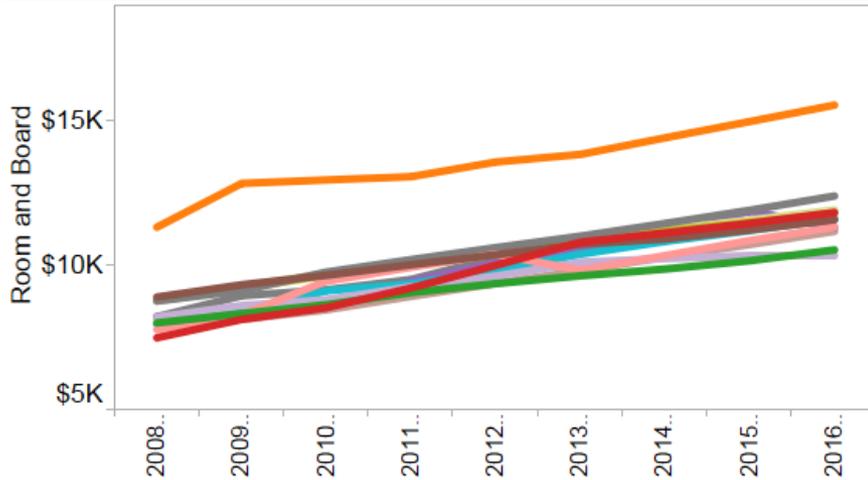
Note: Fees included above are University fees, some of which are rolled into tuition. Not included are program specific fees.

Room & Meal Plan Comparisons

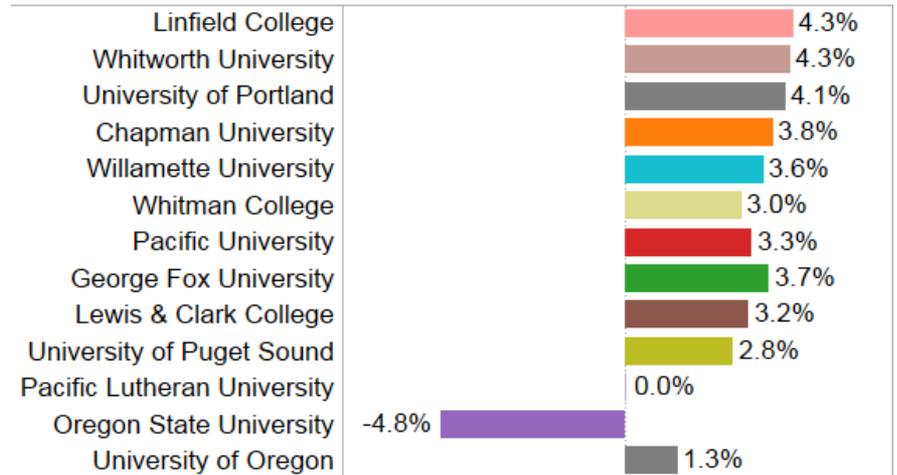
Room and Board Comparisons 2016-17



Room and Board Trends



Current Year Increase over Previous Year



FY 17/18 Room/Meal Plan Rates & Revenue

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Proposed Budget	FY 18/19 Modeled	FY 19/20 Modeled
Student cost for double room/meal plan	\$10,792 8.0%	\$11,116 3.0%	\$11,448 3.0%	\$11,822 3.3%	\$12,164 2.9%	\$12,406 2.0%	\$12,682 2.2%

17/18: Room + 2.8%, Meal Plan 3%

Occupancy:	FY 13/14 Actual Avg*	FY 14/15 Actual Avg*	FY 15/16 Actual Avg*	FY 16/17 Budget (Avg)	FY 16/17 Actual Avg*	FY 17/18 Proposed Budget (Avg)	FY 18/19 Modeled Budget (Avg)	FY 19/20 Modeled Budget (Avg)
Total Beds Available	1,096	1,107	1,146	1,146	1,147	1,149	1,149	1,149
Total Beds Occupied (Average)*	983	1,014	1,084	1,056	1,064	1,063	1,063	1,071
Avg Occupancy Rate	89.7%	91.6%	94.5%	92.1%	92.7%	92.5%	92.5%	93.2%
Attrition Rate 8/31>1/31	-5%	-6%	-7%	-5%	-7%	-5%	-5%	-5%

* Average of 8/31 & 1/31

Cascade Hall 14/15>

\$ in thousands	Actual	Actual	Actual	Budget	Proposed	Modeled	Modeled
	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
TOTAL ROOM	\$ 6,174 6.6%	\$ 6,540 5.9%	\$ 7,413 13.4%	\$ 7,584 16.0%	\$ 7,824 3.2%	\$ 8,043 2.8%	\$ 8,360 3.9%
TOTAL BOARD (Meal Plan/Rebate)	\$ 3,334 -3.0%	\$ 3,614 8.4%	\$ 3,867 7.0%	\$ 3,652 1.1%	\$ 3,742 2.4%	\$ 3,764 0.6%	\$ 3,821 1.5%
TOTAL ROOM/BOARD	\$ 9,507 3.1%	\$10,154 6.8%	\$ 11,280 11.1%	\$ 11,236 10.7%	\$ 11,566 2.9%	\$ 11,808 2.1%	\$ 12,180 3.2%

% over PY Budget % over PY Budget % over PY Budget

Note: Room rate varies on room type/configuration

Proposed and Modeled Investment Opportunities

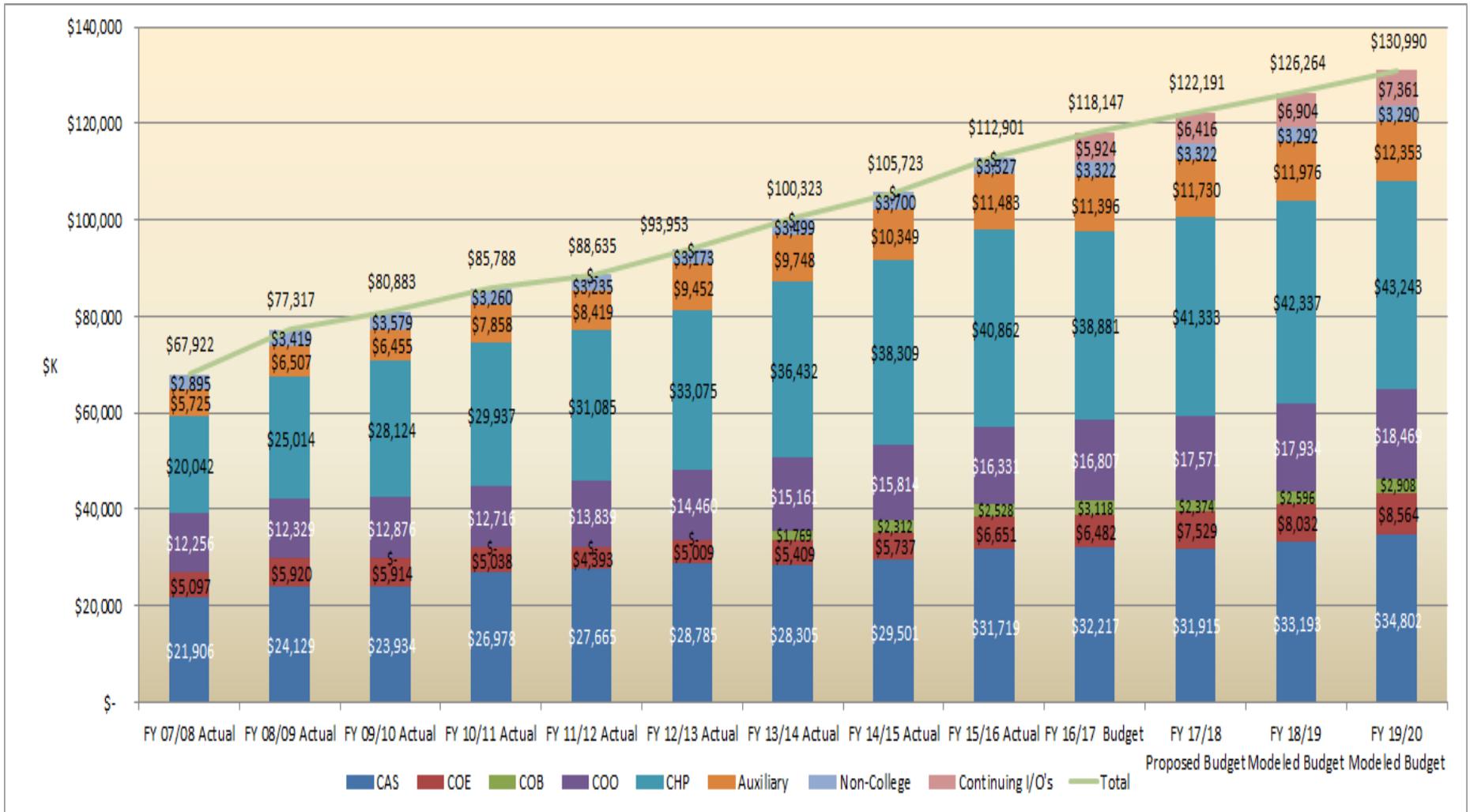
FY Start of Enrollment	New and Continuing I.O.'s	Approved IO Board Budget FY 16/17				Proposed IO Board Budget FY 17/18			
		Stdnt FTE	Rev \$	Exp \$	Net \$	Stdnt FTE	Rev \$	Exp \$	Net \$
	New:								
2017/18	Pharmacy PhD/MS joint degree - CHP (SOP)	-	\$ -	\$ -	\$ -	0	\$ 2,364	\$ 14,100	\$ (11,736)
2016/17	Vision Science PhD - COO	3	\$ 54,527	\$ 45,584	\$ 8,943	(Moved into Operations)			\$ -
	Sub-total	3	\$ 54,527	\$ 45,584	\$ 8,943	0	\$ 2,364	\$ 14,100	\$ (11,736)
	Continuing:								
2013/14	Athletic Training - CHP (PT)	21	\$ 519,023	\$ 431,168	\$ 87,855	30	\$ 774,822	\$ 457,890	\$ 316,931
2012/13	Audiology Doctorate - CHP	70	\$ 2,526,172	\$ 2,377,679	\$ 148,494	75	\$ 2,554,032	\$ 2,455,251	\$ 98,781
2013/14	Clinical Psychology - PhD - CHP (SPP)	32	\$ 1,045,492	\$ 754,599	\$ 290,892	34	\$ 1,125,613	\$ 830,703	\$ 294,911
2012/13	Continuing Education - CHP	-	\$ 136,503	\$ 118,051	\$ 18,452	-	\$ 125,644	\$ 109,353	\$ 16,291
2015/16	Criminal Justice, Law & Society CAS (SS) (Students and revenues in CAS)	-	\$ -	\$ 111,262	\$ (111,262)	-	\$ -	\$ 112,211	\$ (112,211)
2014/15	Health Science - B.S. - CHP (HAL)	20	\$ 348,782	\$ 340,529	\$ 8,253	26	\$ 440,001	\$ 403,846	\$ 36,155
2013/14	MHA Online Compliance with Grad Certificate - CHP (HAL)	5	\$ 110,016	\$ 140,052	\$ (30,036)	-	\$ -	\$ -	\$ -
2014/15	Music Therapy - Bachelor - CAS (AH) (Students and revenues in CAS)	-	\$ -	\$ 177,160	\$ (177,160)	-	\$ -	\$ 141,621	\$ (141,621)
2014/15	Social Work - Master - CAS (SS)	30	\$ 643,005	\$ 886,115	\$ (243,110)	37	\$ 796,388	\$ 853,999	\$ (57,611)
2015/16	Women's Rowing - Athletics; moved into Operations for FY 17/18 (Students and revenues in CAS)	-	\$ -	\$ 137,202	\$ (137,202)	(Moved into Operations)			\$ -
2012/13	STEM MAT - COE (Woodburn) (Science, Technology, Engineering, Math)	29	\$ 540,556	\$ 451,313	\$ 89,243	26	\$ 597,256	\$ 475,628	\$ 121,628
	Sub-total	207	\$ 5,869,549	\$ 5,925,130	\$ (55,581)	228	\$ 6,413,756	\$ 5,840,502	\$ 573,254
	Contingency		\$ -	\$ 100,000	\$ (100,000)		\$ -	\$ 100,000	\$ (100,000)
	Grand Totals	210	\$ 5,924,076	\$ 6,070,714	\$ (146,638)	228	\$ 6,416,120	\$ 5,954,602	\$ 461,518
	Note:	1. Enrollment and corresponding revenue for the Criminal Justice, Law, & Society program, Music Therapy program, and the Women's Rowing team are included in the College of Arts and Sciences' total enrollment and Operating revenues.							

FY 17/18 Proposed Revenue Budget

	BOT Approved Budget FISCAL YEAR 2016/17			Proposed Budget FISCAL YEAR 2017/18			DIFFERENCE	
	Academic Operations	Support Services	Fiscal Year Total	Academic Operations	Support Services	Fiscal Year Total	\$ DIFF	% DIFF
REVENUES								
Tuition	129,881,292	-	129,881,292	134,305,648	(168,200)	134,137,448	4,256,156	3.3%
Financial Aid	(39,855,010)	-	(39,855,010)	(41,152,741)	-	(41,152,741)	(1,297,730)	3.3%
Net Tuition	90,026,282	-	90,026,282	93,152,907	(168,200)	92,984,707	2,958,426	3.3%
Fees	1,629,711	259,750	1,889,461	1,814,796	300,795	2,115,591	226,131	12.0%
Contributions	70,000	460,000	530,000	75,000	430,000	505,000	(25,000)	-4.7%
Contracts/Exchanges	502,700	935,472	1,438,172	588,634	996,818	1,585,452	147,280	10.2%
Investment Income	-	735,455	735,455	-	701,745	701,745	(33,710)	-4.6%
Clinics	2,904,367	-	2,904,367	3,004,900	-	3,004,900	100,533	3.5%
Auxiliary Enterprises	656,675	12,198,575	12,855,250	647,943	12,442,585	13,090,528	235,279	1.8%
Net Assets Released/Transfer	1,179,973	-	1,179,973	1,135,689	-	1,135,689	(44,284)	-3.8%
Other	568,364	96,000	664,364	548,241	103,000	651,241	(13,123)	-2.0%
Sub-Total Net Revenues	97,538,071	14,685,252	112,223,323	100,968,111	14,806,743	115,774,854	3,551,530	3.2%
Investment Opportunity Revenues***	5,924,076	-	5,924,076	6,416,120	-	6,416,120	492,044	8.3%
Total Net Revenues	103,462,147	14,685,252	118,147,399	107,384,231	14,806,743	122,190,974	4,043,574	3.4%

*** Women's Rowing transitioned from an Investment Opportunity to Operations from FY 16/17> 17/18

Revenue Trend & FY 17/18 Proposed Budget



Actual Revenue includes all revenue; operations & strategic/investment opportunity

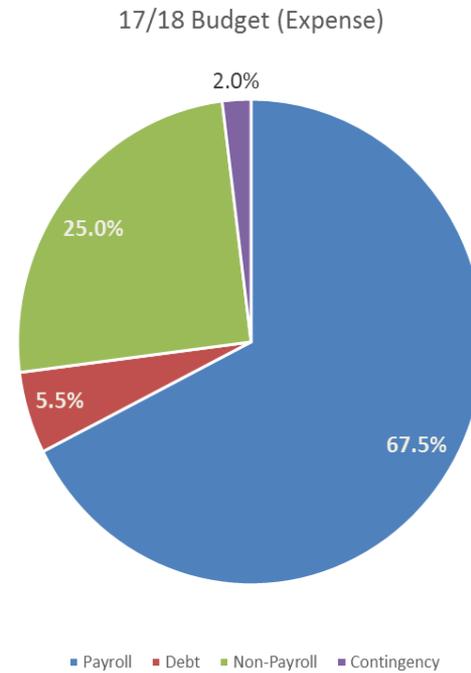
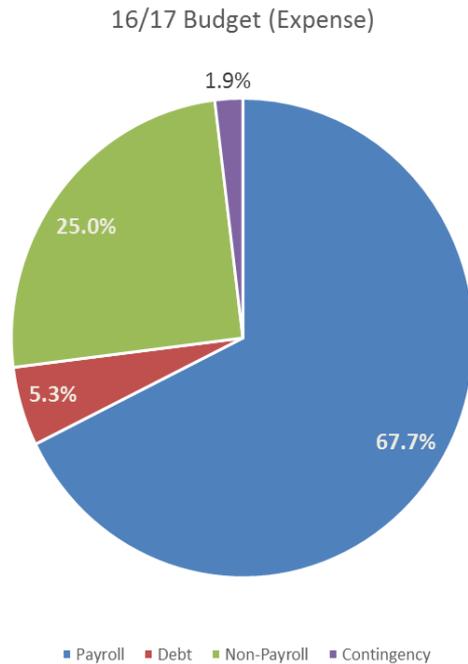
College includes: Tuition, Financial Aid, Fees, Clinics

Non-College includes: Eli, Athletics, Library, Student Life/Health Center, Advancement, Conferences, Endowment, Study Abroad

FY 12/13: FG UG Net Tuition Allocations to COE. FY 13/14> FG UG Net Tuition/Fee Allocations to COE & COB

EXPENSE

FY 17/18 Proposed Expense Budget



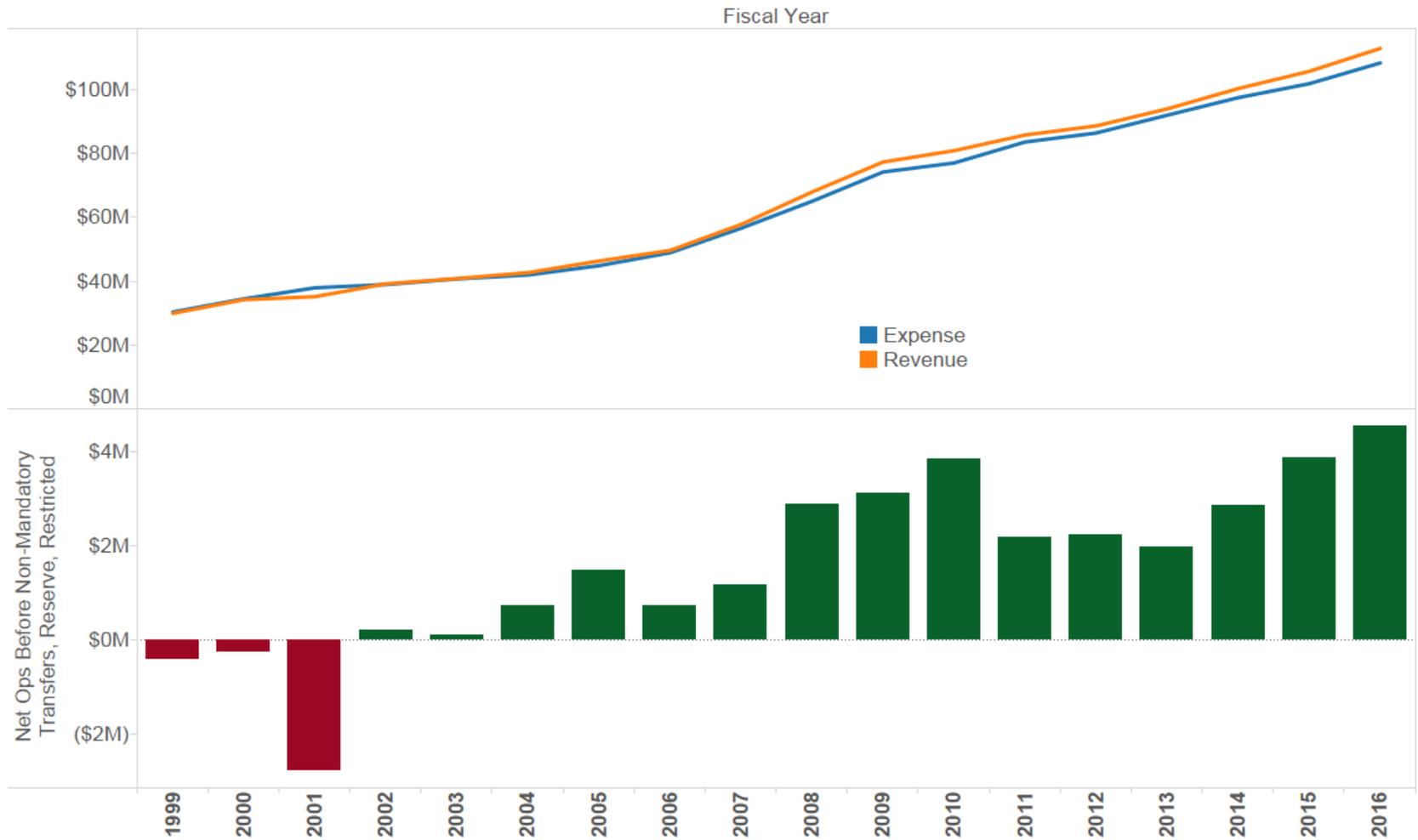
Includes Rolled in Investment Opportunities

FY 17/18 Proposed Expense Budget

EXPENSES	BOT Approved Budget FISCAL YEAR 2016/17			Proposed Budget FISCAL YEAR 2017/18			DIFFERENCE	
	Academic Operations	Support Services	Fiscal Year Total	Academic Operations	Support Services	Fiscal Year Total	\$ DIFF	% DIFF
	Payroll	55,836,340	19,142,237	74,978,576	56,278,194	20,136,673	76,414,867	1,436,291
General & Admin (non-payroll)	10,559,641	16,535,541	27,095,182	10,929,062	16,962,869	27,891,931	796,750	2.9%
Capital: Equipment, Improvements & Maint	302,353	596,654	899,007	184,374	935,279	1,119,653	220,646	24.5%
Debt Service (principal and interest)	-	6,317,790	6,317,790	436,279	6,225,049	6,661,328	343,538	5.4%
Sub-total	66,698,334	42,592,221	109,290,555	67,827,909	44,259,870	112,087,779	2,797,224	2.6%
Financial Aid Matching Awards	-	340,000	340,000	-	340,000	340,000	-	0.0%
Other Adjustments:								
Residual Salary Pool & Cabinet Fund	-	246,131	246,131	-	150,000	150,000	(96,131)	-39.1%
17/18 Salary Pool (Market + Faculty Promos)	-	-	-	-	1,337,349	1,337,349	1,337,349	
Contingency	-	2,200,000	2,200,000	-	2,321,244	2,321,244	121,244	5.5%
Sub-total Expenses	66,698,334	45,378,352	112,076,685	67,827,909	48,408,463	116,236,372	4,159,686	3.7%
Investment Opportunity Expenses***	5,970,714	100,000	6,070,714	5,854,602	100,000	5,954,602	(116,112)	-1.9%
Total Expenses	72,669,048	45,478,352	118,147,399	73,682,511	48,508,463	122,190,974	4,043,575	3.4%
Net Revenues & Expenses			0			(0)		

*** Women's Rowing transitioned from an Investment Opportunity to Operations from FY 16/17> 17/18

Net Operations Trend



17/18 Budget: College & Non-College

16/17 Expense Budget

	16/17 Expense Budget (1)
College of Arts & Sciences	\$ 17,927,056
College of Education	\$ 5,643,544
College of Business	\$ 1,995,017
College of Optometry	\$ 9,927,287
College of Health Professions	\$ 27,117,727
Total College	\$ 62,610,630
President's Office	\$ 1,120,287
Provost Office	\$ 2,283,996
Athletics	\$ 4,209,061
Library	\$ 2,894,742
VP Enrollment Management & Student Affairs	\$ 15,431,898
VP University Advancement	\$ 4,401,003
VP F&A, UIS, Central, Diversity	\$ 22,309,653
Total Non-College	\$ 52,650,638
Total Operations	\$ 115,261,269

17/18 Proposed Expense Budget (with modeled 2% pay increase)

17/18 Starting Expense (2)	Funded Expense & Capital Items	Budget Balancing Adjustments (3)	Modeled 2% Pay Increase (4)	17/18 Modeled Expense with 2% Pay Increase	16/17 to 17/18 Modeled %
\$ 18,518,781	\$ 443,050	\$ (1,137,306)	\$ 263,751	\$ 18,088,276	0.9%
\$ 5,697,509	\$ 107,512	\$ (107,317)	\$ 79,110	\$ 5,776,813	2.4%
\$ 2,454,266	\$ -	\$ (166,019)	\$ 34,406	\$ 2,322,653	16.4%
\$ 10,269,087	\$ 562,422	\$ (311,857)	\$ 146,884	\$ 10,666,536	7.4%
\$ 27,575,449	\$ 773,932	\$ (687,142)	\$ 378,204	\$ 28,040,442	3.4%
\$ 64,515,091	\$ 1,886,915	\$ (2,409,641)	\$ 902,355	\$ 64,894,719	3.6%
\$ 1,166,287	\$ -	\$ (35,000)	\$ 15,069	\$ 1,146,356	2.3%
\$ 2,228,115	\$ 138,040	\$ (65,312)	\$ 36,427	\$ 2,337,270	2.3%
\$ 4,312,269	\$ 113,268	\$ (201,312)	\$ 51,897	\$ 4,276,122	1.6%
\$ 3,030,451	\$ 52,616	\$ (138,738)	\$ 31,116	\$ 2,975,444	2.8%
\$ 15,523,723	\$ 112,429	\$ (122,405)	\$ 116,600	\$ 15,630,347	1.3%
\$ 4,535,141	\$ 108,050	\$ (60,001)	\$ 69,926	\$ 4,653,115	5.7%
\$ 22,431,202	\$ 1,229,735	\$ (408,540)	\$ (8,890)	\$ 23,243,506	4.2%
\$ 53,227,187	\$ 1,754,139	\$ (1,031,308)	\$ 312,144	\$ 54,262,160	3.1%
\$ 117,742,278	\$ 3,641,054	\$ (3,440,949)	\$ 1,214,498	\$ 119,156,880	3.4%

17/18 Salary Pool	\$ 246,131
Contingency (w/IO), Aid Match	\$ 2,640,000
Total University Central	\$ 2,886,131

\$ 2,679,508	\$ (1,192,159)	\$ -	\$ (1,214,498)	\$ 272,851	10.9%
\$ 3,040,000	\$ (400,000)	\$ 121,244	\$ -	\$ 2,761,244	4.6%
\$ 5,719,508	\$ (1,592,159)	\$ 121,244	\$ (1,214,498)	\$ 3,034,095	5.1%

Overall Total	\$ 118,147,399
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\$ 123,461,786	\$ 2,048,895	\$ (3,319,705)	\$ -	\$ 122,190,974	3.4%
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- (1) For purposes of comparing budget to budget, 16/17 budget \$'s have been adjusted to reflect planned 7/1/17 (FY 17/18) department reporting restructures
 - (2) 17/18 starting expense includes 16/17 budget adjusted for 16/17 1x funded and reduced budget items .
 - (3) Some areas contributed revenue to meet balancing targets (COE, CHP, Student Affairs, Advancement). These are excluded above since this is an expense analysis.
 - (4) This includes an addition for 2% modeled pay/fringe increase. The final methodology to distribute the 2% salary pool is TBD. Central includes credit for difference between 17% & 35% (\$187K) for fringe chargeback difference.
- All #'s include Investment Opportunities

FY 17/18 Proposed Compensation

July 1, 2017:

- ✓ 2% salary increase pool
 - Distribution methodology TBD

- ✓ Comparability
 - Budget does not include any \$'s for comparability in FY 17/18

- ✓ 30 Faculty Promotion Candidates
 - ✓ 15 Assistant to Associate Professor Candidates (\$3,000/promotion)
 - ✓ 15 Associate to Full Professor Candidates (\$4,000/promotion)

- ✓ 9% 403B (Retirement) Contribution ~ no change

FY 17/18 Benefits Cost

Pioneer Education Health Trust Plan (Regence):

- 7.49% increase in Medical (42% of Tier 1 Enrolled Employees*)
 - Deductibles:
 - » Decrease participating from \$1,500 per claimant to \$1,000
 - » Out of Network \$3,000 (no change)
 - Out of Pocket Maximum
 - » Participating \$4,000 (no change)
 - » Non participating \$8,000 (no change)
 - Co-pay
 - » Specialized Office Visit \$50 (no change)
- 7.24% increase in Dental

Kaiser Plan:

- 1.3% Increase in Medical (58% of Tier 1 Enrolled Employees*)
 - No Change to Benefits
- 3% increase in Dental

Willamette Dental

- 0% Increase

Tier 1 Medical Cost Sharing (no change)

- Employee Only Election: 85/15
- Employee + Spouse or Employee + Children Election: 75/25
- Employee + Family Election: 70/30

*Enrolled Tier 1 Employees as of Dec 2016 (excludes waivers, Tier 2)

Achievements of Proposed FY 2017/18 Budget

- ✓ First year of 3 year budget process. Budget template focus on program contribution margin (direct revenue less direct expense); first use of overhead allocation model
- ✓ Minimized tuition/fee rate increases. Range of 0-3.75% (MBA 9.75% but that was to reset closer to market)
- ✓ Continued growth in undergraduate and graduate enrollment with some reset in FG UG enrollment budget
- ✓ Support for continuing Investment Opportunities
- ✓ \$2.3M Contingency (\$2.2M Operations, \$100K Invest. Oppty)
- ✓ Support of faculty sabbatical replacements

Achievements of Proposed FY 2017/18 Budget

- ✓ Restructure and enhancement of Equity, Diversity, and Inclusion Office
- ✓ Accounts for employer cost increases in medical and dental plans
- ✓ Funded expected increase in utilities and central costs (insurance, leases, meal plan contract costs)
- ✓ Modest increase in research support office because of increased extramural funding
- ✓ Balanced budget from \$9.4M gap in December. Accomplished by re-evaluating revenue assumptions and reducing expense request and base budget levels

Impacts of Budget Balancing

(Support Areas)

- ✓ Negotiation of lower medical rates (9% to 7.49% PEHT, Kaiser 3% to 1.3% while reducing the deductible)
- ✓ Reduction in non-payroll operating funds across most areas
- ✓ Increase Meal plan from 1% to 3% increase
- ✓ Reflect/Refine Utility expense – LED project and updated increase assumptions
- ✓ Reduction of marketing budget
- ✓ Delay of projects – IT and Registrar
- ✓ Re-negotiation of student mass transit pass plan with TriMet (no negative impact to students)
- ✓ Postpone Track and Field Initiative – recruiting cycle timing
- ✓ Reduction of Library collection budget

Impact of Budget Balancing (Program Areas)

- ✓ Close of Healthcare Compliance Certificate Program (CHP)
- ✓ Suspend MSF Program (COB)
- ✓ Delay of equipment replacement –high impact to clinical and equipment intensive programs
- ✓ Delay of filling vacant staff and faculty positions in college and non-college areas
 - ✓ Sensitive to accreditation cycles – cannot jeopardize
- ✓ Some increase in class size where feasible
- ✓ Modify sabbatical coverage plan (fewer, more part-time)
- ✓ Minor additional increases in enrollment, tuition, fees (CHP, COE)
- ✓ Expense reductions targeted programs with low contribution margins

Identified Risks in Proposed FY 2017/18 Budget

- ✓ Undergraduate Net Revenue ~ meet budget goals of:
 - ✓ Enrollment: 473 Freshmen, 104 New Transfer
 - ✓ Freshmen/Sophomore Retention 80.1% (82.3% PY actual)
 - ✓ Financial Aid: Freshman Average Discount 58%, New Transfer 50%

- ✓ Room & Meal Plan:
 - ✓ Achieve occupancy 95% fall 2017, average 17/18 92.5%

- ✓ Graduate Program Enrollment Pools:
 - ✓ Most programs still strong but need to continue to watch usage of wait lists, student quality, student success (stop outs)

- ✓ College of Education SLT:
 - ✓ Graduate enrollment budget needs to be watched closely

- ✓ College of Business MBA meet enrollment goals of:
 - ✓ MBA fall 2017 new student budget = 15 (should be conservative)

Identified Risks in Proposed FY 2017/18 Budget

- ✓ Investment Opportunity Budgets:
 - ✓ Risk in achieving budgeted enrollment (should be ok, most programs well underway)
- ✓ Expense budgets ~ impact of budget reductions to be monitored
- ✓ Capital Project Funding (primarily from year end surplus)
- ✓ Continue long-term planning and roadmap of academic and non- academic vision:
 - Program Restructure
 - Efficiencies
 - Revenue enhancements

Voluntary Termination of Services

- Announcement by mid-March (email to all eligible faculty)
- For tenured and extended term faculty who, by the date of retirement, will be 60+ with at least 15 years of service
- 25% of salary for 15 years of service, prorated up to 50% for 30 years of service
- May retire this year or next
- Positions generally will be relinquished; exceptions may be requested from the Cabinet for essential functions (e.g. accreditation requirement)
- Indicate commitment by May 1, 2017 for this year, September 1, 2017 for next

Allocation Model

FY 16/17 BOT Approved Budget

FY 16/17 BOT Approved Budget (Budget with modeled Overhead Allocations)

Includes Investment Opportunity Revenue & Expense	College of Arts & Sciences	College of Education	College of Business	College of Optometry	College of Health Professions	Total College
Direct College Revenue						
Tuition	\$ 66,611,654	\$ 7,501,175	\$ 5,481,058	\$ 14,158,488	\$ 41,806,169	\$ 135,558,544
Gross Financial Aid	\$ (36,009,252)	\$ (1,021,639)	\$ (2,402,294)	\$ (149,692)	\$ (315,098)	\$ (39,897,975)
Net Tuition	\$ 30,602,402	\$ 6,479,536	\$ 3,078,764	\$ 14,008,796	\$ 41,491,071	\$ 95,660,569
Fees, Clinics, Scholarship Funding, Other Revenue	\$ 2,257,658	\$ 542,590	\$ 43,765	\$ 2,853,185	\$ 2,075,981	\$ 7,773,178
Total Direct College Revenue	\$ 32,860,060	\$ 7,022,126	\$ 3,122,529	\$ 16,861,981	\$ 43,567,052	\$ 103,433,747
Direct College Expenses						
Payroll	\$ 14,980,028	\$ 4,910,467	\$ 1,884,049	\$ 8,251,999	\$ 23,630,030	\$ 53,656,572
Non-Payroll	\$ 2,947,028	\$ 733,077	\$ 110,968	\$ 1,675,289	\$ 3,487,697	\$ 8,954,059
Total Direct Expense	\$ 17,927,056	\$ 5,643,544	\$ 1,995,017	\$ 9,927,287	\$ 27,117,727	\$ 62,610,630
Direct Contribution Margin (College Only)	\$ 14,933,004	\$ 1,378,582	\$ 1,127,512	\$ 6,934,693	\$ 16,449,325	\$ 40,823,117

Non-College, Support, Central Modeled Allocations (Net = Revenue - Expense):

Major Category	Allocation Method						
1 FG UG Support* (recorded in CAS)	B	\$ 109,513	\$ (30,788)	\$ (78,725)			\$ -
2 Room & Meal Plan ~ FG Campus Aux (Net)	B	\$ 2,538,332	\$ 65,883	\$ 168,461			\$ 2,772,676
3 Athletics (Net)	B	\$ (3,670,952)	\$ (95,280)	\$ (243,630)			\$ (4,009,861)
4 Lincoln Park (Maint, Debt, Utilities)	B	\$ (971,325)	\$ (25,211)	\$ (64,464)			\$ (1,061,000)
5 FG Campus General Bond Debt	B	\$ (456,885)	\$ (23,494)	\$ (30,322)			\$ (510,701)
6 Study Abroad, International, ELI (Net)	B	\$ (744,243)	\$ (19,317)	\$ (49,393)			\$ (812,953)
7 FG Campus: Utilities, Insurance, UC Debt	C	\$ (842,780)	\$ (147,014)	\$ (80,057)	\$ (179,036)		\$ (1,248,887)
8 Strain/Price Bond Debt	A	\$ (191,801)					\$ (191,801)
9 Building Leases & Lease Operating	A	\$ (85,729)	\$ (102,175)	\$ -	\$ (391,928)	\$ (140,772)	\$ (720,604)
10 Hillsboro Campus Debt	A					\$ (3,097,256)	\$ (3,097,256)
11 Hillsboro Campus Utilities, Health Center, Contracts (Net~ income from VGMHC)	A					\$ (264,815)	\$ (264,815)
12 Support Areas (Net)	D	\$ (13,503,424)	\$ (2,355,520)	\$ (1,282,709)	\$ (2,868,603)	\$ (9,367,660)	\$ (29,377,915)
Total Allocated Non-College, Support, Central		\$ (17,819,293)	\$ (2,732,916)	\$ (1,660,838)	\$ (3,439,567)	\$ (12,870,503)	\$ (38,523,117)
Net Margin with Modeled Allocations		\$ (2,886,289)	\$ (1,354,334)	\$ (533,325)	\$ 3,495,126	\$ 3,578,823	\$ 2,300,000

Represents budgeted contingency (operations \$2.2M + investment opportunity \$100K) 

FY 16/17 Overhead Allocation Methodology (Based on approved budget)

Method A = Expense is specific to program or college

Method B = Expense is specific primarily to FG UG Students>>> Use FG UG Student Credit Hours:

	CAS	COE	COB	Total
FG UG Credit Hours (budgeted)	50,703	1,316	3,365	55,384
% of expense shared	91.55%	2.38%	6.08%	

Note: Based on budgeted instructed credit hours, not majors

Method C = Expense is specific to FG Campus>>> Use Avg fall/spring student FTE for colleges who have students primarily on the FG campus:

	CAS	COE	COB	COO	CHP	Total
Avg college fall/spring student FTE (budgeted)	1,737	303	165	369	No students in FG	2,574
% of expense shared	67.48%	11.77%	6.41%	14.34%		

Note: COE and COB fall/spring student FTE #'s include an allocation of FG UG students based on budgeted FG UG Credit hours instructed (not majors)

Method D = Remaining Unallocated Non-College, Support, Central Expense (net)>>> Use Avg fall/spring student FTE:

	CAS	COE	COB	COO	CHP	Total
Avg college fall/spring student FTE (budgeted)	1,737	303	165	369	1,205	3,779
% of expense shared	45.96%	8.02%	4.37%	9.76%	31.89%	

Note: COE and COB fall/spring student FTE #'s include an allocation of FG UG students based on budgeted FG UG Credit hours instructed (not majors)

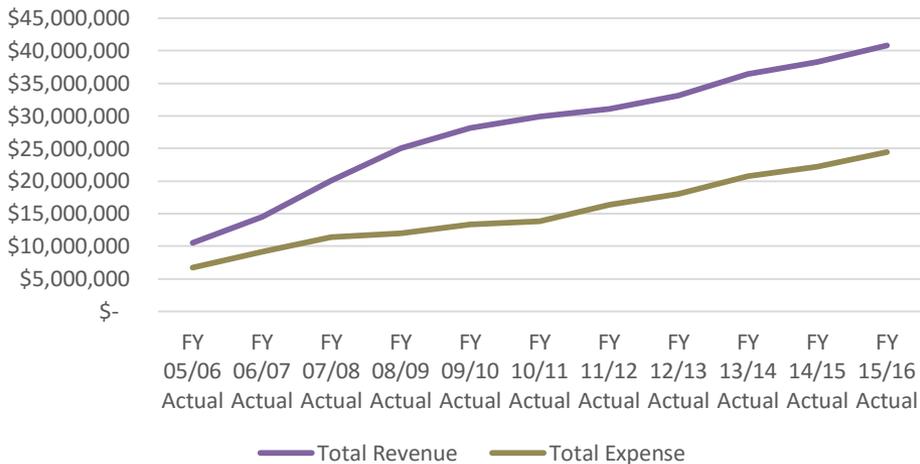
FY 16/17 Overhead Allocation Methodology (Based on approved budget)

Detail of Remaining Unallocated Non-College, Support, Central Expense (net):

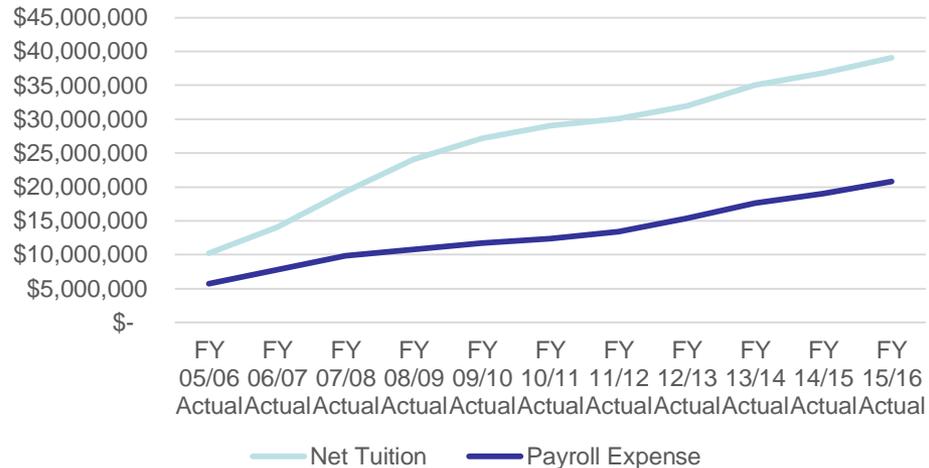
Provost Office, OSSP, Inst Research, Registrar, Berglund Center	\$ (2,320,461)
Library	\$ (2,886,742)
President Office, Board of Trustee Support	\$ (1,120,287)
University Information Systems (Technology, Help Desk)	\$ (3,902,940)
VP Office, Student Life, Enrollment Management, Admissions, LSS	\$ (5,528,097)
VP Finance Office, H/R, Legal, Facilities, Business Office, Budget Office, Purchasing, CPS, Custodial, Financial Aid, Central	\$ (10,199,386)
VP University Advancement, Development, Marketing, Alumni Relations, Conferences & Events	\$ (3,420,003)
Total of Remaining Unallocated Non-College, Support, Central Expense (budgeted net):	\$ (29,377,915)

College of Health Professions (all programs) (no overhead allocation)

College of Health Professions



College of Health Professions

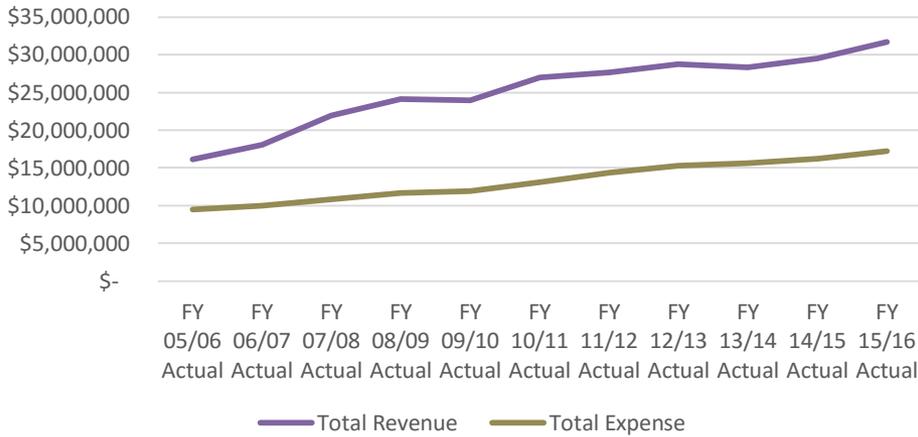


College of Health Professions

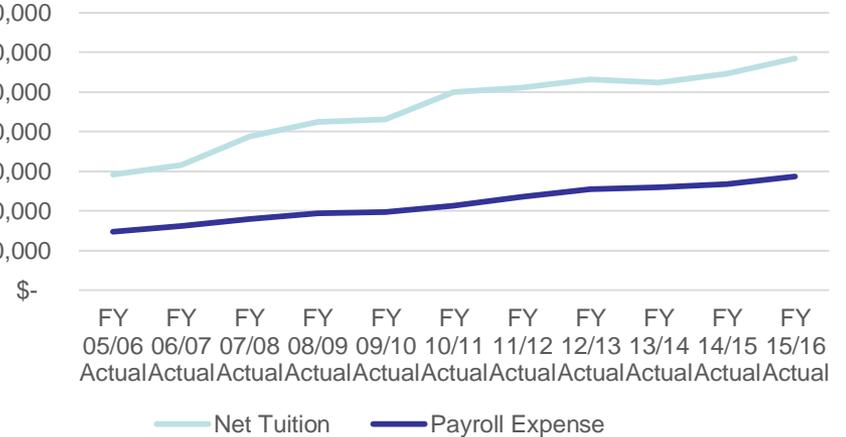


College of Arts & Sciences (all programs) (no overhead allocation)

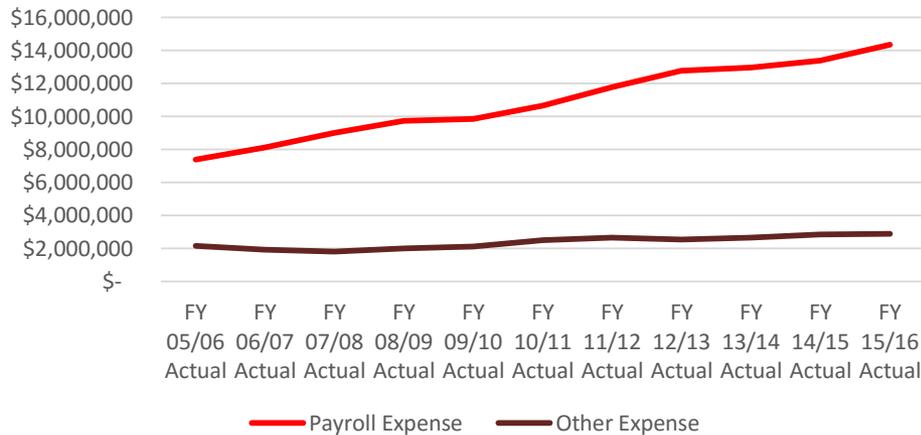
College of A&S
FG UG, MFA, MSW



College of A&S
FG UG, MFA, MSW



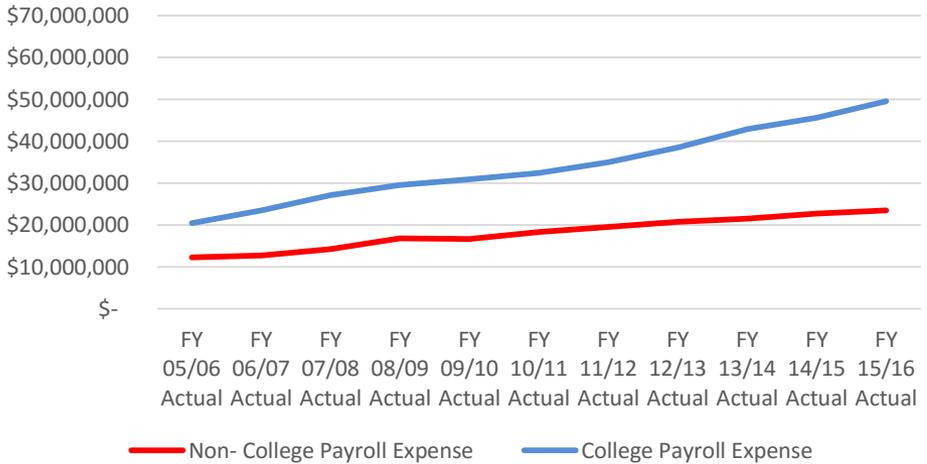
College of A&S
FG UG, MFA, MSW



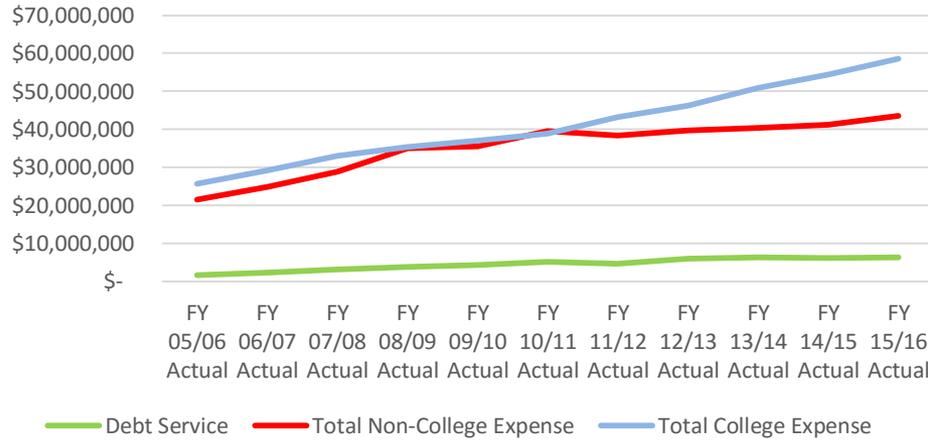
FY 05/06 to FY 12/13 included UG Business

College & Non-College Expense Trends

College & Non-College Payroll Expense

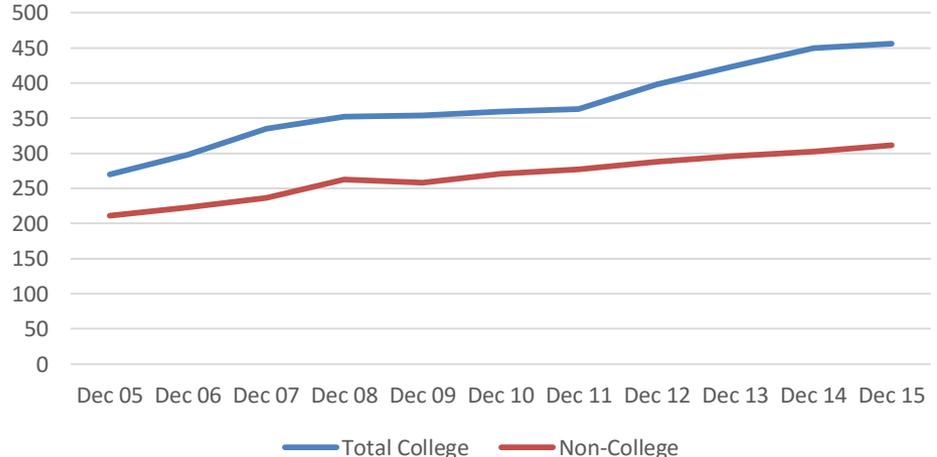


College & Non-College Total Expense (non-college includes Central Ops)



Non-College Includes: Library, Athletics, Auxiliary (Room & Meal), Provost, Information Systems, Student Life/Enrollment, Advancement, Finance, President Office, Central Operations

Benefit Eligible Headcount (Dec Snapshot*)



* Headcount (not FTE) based on home department. Does not include vacant positions. College includes both faculty & staff whose home department is a College.

Next Steps

- Board Approval or Modification
- Communicate Budget Implications
- Work with Cabinet and Provost's Council to establish an inclusive process to affirm a university-wide vision
 - Establish priorities and net revenue targets for subsequent years
 - Reset, if necessary, years 2 and 3 (short term)
 - Establish working groups where needed to build a (medium term) plan that will achieve targeted net revenue
 - Implement budget process that promotes investment in Pacific's future

Thank You

- Questions or Suggestions?