



# FY 16/17 Campus Budget Forum

*March 31, 2016*

# University Finance Committee 2015-2016

## Committee Members:

- Eva Guggemos, Chair (Library Faculty)
- Eric Sanders, Secretary (Education Faculty)
- Phil Ruder (Arts & Sciences Faculty)
- Chadd Williams (Arts & Sciences Faculty)
- Cathy Moonshine (Health Professions Faculty)
- Lisa Christiansen (Health Professions Faculty)
- Shun-Nan Yang (Optometry Faculty)
- Melanie Tan (Staff Representative)
- Yashica Island (Staff Representative)
- Ralph Vasey (Staff Representative)
- Prescott Devinney (UG Student Representative)

## Standing ex-officio and non-voting Members:

- Mike Mallery (VP Finance & Administration)
- Kris Kosik (Director Human Resources)
- Lesley Limper (Director Financial Aid)
- Susan Pedersen (Director Budget Office)

# The Board Approved a Balanced Budget for FY 2016-2017 on March 5, 2016

- Thanks to the hard work of many, many people:
  - Susan Pedersen
  - Mike Mallery
  - Cabinet Members, Deans and Directors
- And with the input of countless others:
  - Board Finance Committee
  - University Finance Committee
  - Major governing groups: Faculty, Staff and Student Senates, University Council
  - All those who support above people & groups

## Budget Process: A Bit of Sausage Making

- “First Pass” Revenue: Tuition/enrollment setting
- “First Pass” Expenses: Roll up from previous year, adding back one time cuts, and generating “mandates” and urgently needed additions
- Multiple iterations to close the gap
  - Starting with overall system reductions
  - Ultimately going into unit budgets to seek both revenue enhancements and budget reductions
- Next year: Begin to develop more of an integrated process focusing on net revenue

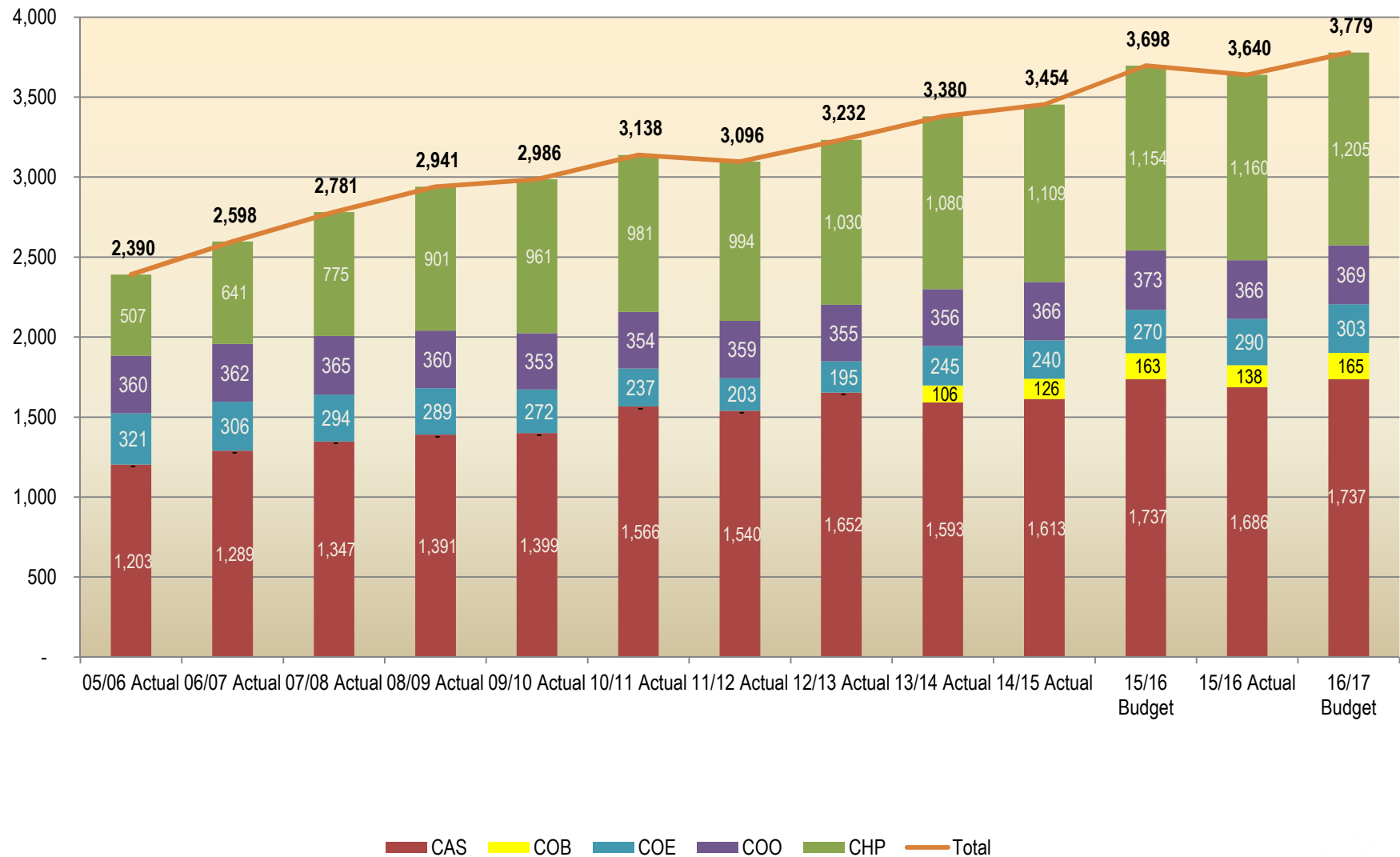
**REVENUE**

# FY 16/17 Revenue Budget

	BOT Approved Budget FISCAL YEAR 2015/16			BOT Approved Budget FISCAL YEAR 2016/17			DIFFERENCE	
	Academic Operations	Support Services	Fiscal Year Total	Academic Operations	Support Services	Fiscal Year Total	\$ DIFF	% DIFF
<b>REVENUES</b>								
Tuition	122,306,327	-	122,306,327	129,881,292	-	129,881,292	7,574,965	6.2%
Financial Aid	(37,731,624)	-	(37,731,624)	(39,855,010)	-	(39,855,010)	(2,123,386)	5.6%
Net Tuition	84,574,703	-	84,574,703	90,026,282	-	90,026,282	5,451,579	6.4%
Fees	1,542,924	269,250	1,812,174	1,629,711	259,750	1,889,461	77,287	4.3%
Contributions	70,000	510,000	580,000	70,000	460,000	530,000	(50,000)	-8.6%
Contracts/Exchanges	337,658	876,243	1,213,901	502,700	942,972	1,445,672	231,771	19.1%
Investment Income	-	738,464	738,464	-	735,455	735,455	(3,009)	-0.4%
Clinics	2,816,376	-	2,816,376	2,904,367	-	2,904,367	87,991	3.1%
Auxiliary Enterprises	634,806	11,699,163	12,333,969	656,675	12,198,575	12,855,250	521,281	4.2%
Net Assets Released/Transfer	1,166,154	-	1,166,154	1,179,973	-	1,179,973	13,819	1.2%
Other	436,099	82,500	518,599	568,364	88,500	656,864	138,265	26.7%
<b>Sub-Total Net Revenues</b>	91,578,720	14,175,620	105,754,340	97,538,071	14,685,252	112,223,323	6,468,983	6.1%
<b>Investment Opportunity Revenues**</b>	7,661,011	-	7,661,011	5,924,076	-	5,924,076	(1,736,935)	-22.7%
<b>Total Net Revenues</b>	<b>99,239,731</b>	<b>14,175,620</b>	<b>113,415,351</b>	<b>103,462,147</b>	<b>14,685,252</b>	<b>118,147,399</b>	<b>4,732,048</b>	<b>4.2%</b>

\*\* Speech Language and Gerontology transitioned from Investment Opportunity to Operations from 15/16>16/17

# Student Average FTE



# FY 16/17 Enrollment Budget (Summary by College)

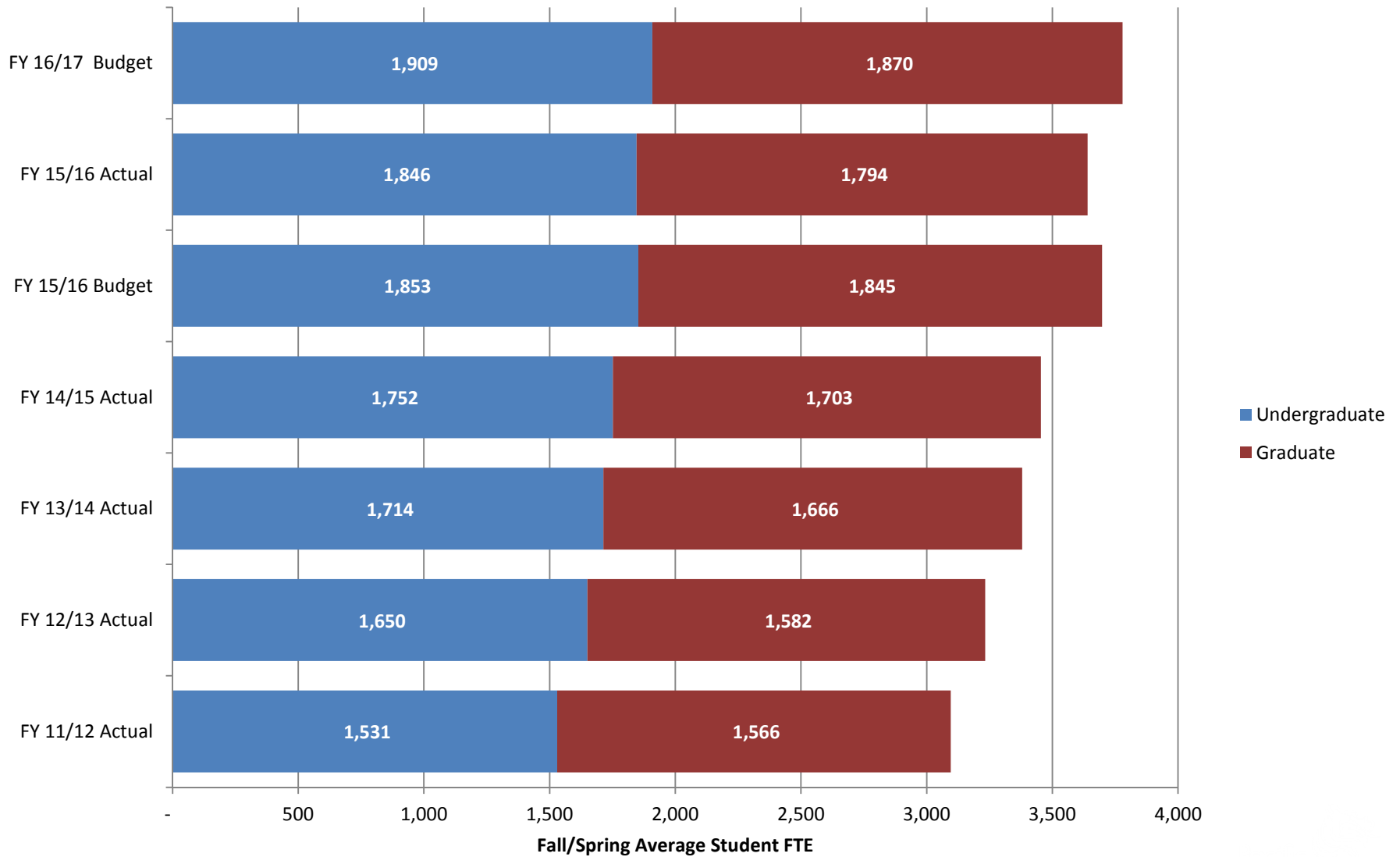
	Actual Fall/Spring Average				Approved Budget	Actual	BOT Approved Budget		
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16 Avg	FY 15/16 Avg	FY 16/17 (Avg)		
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	% over 15/16 Budget	FTE over PY Bd Apprvd
College of Arts & Sciences (UG FG, MFA, MSW)	1,540	1,652	1,593	1,613	1,737	1,686	1,737	0.0%	(1)
College of Business (UG FG, MSF, MBA)	-	-	106	126	163	138	165	1.2%	2
College of Education (SLT, SCDS)	203	195	245	240	270	290	303	12.0%	32
College of Optometry (OD, MS, PhD)	359	355	356	366	373	366	369	-1.1%	(4)
College of Health Professions	994	1,030	1,080	1,109	1,154	1,160	1,205	4.4%	51
<b>Total</b>	<b>3,096</b>	<b>3,232</b>	<b>3,380</b>	<b>3,454</b>	<b>3,698</b>	<b>3,640</b>	<b>3,779</b>	<b>2.2%</b>	<b>81</b>

Includes Investment Opportunities

Does not include dual enrolled students or ELI.



# Graduate & Undergraduate Avg FTE

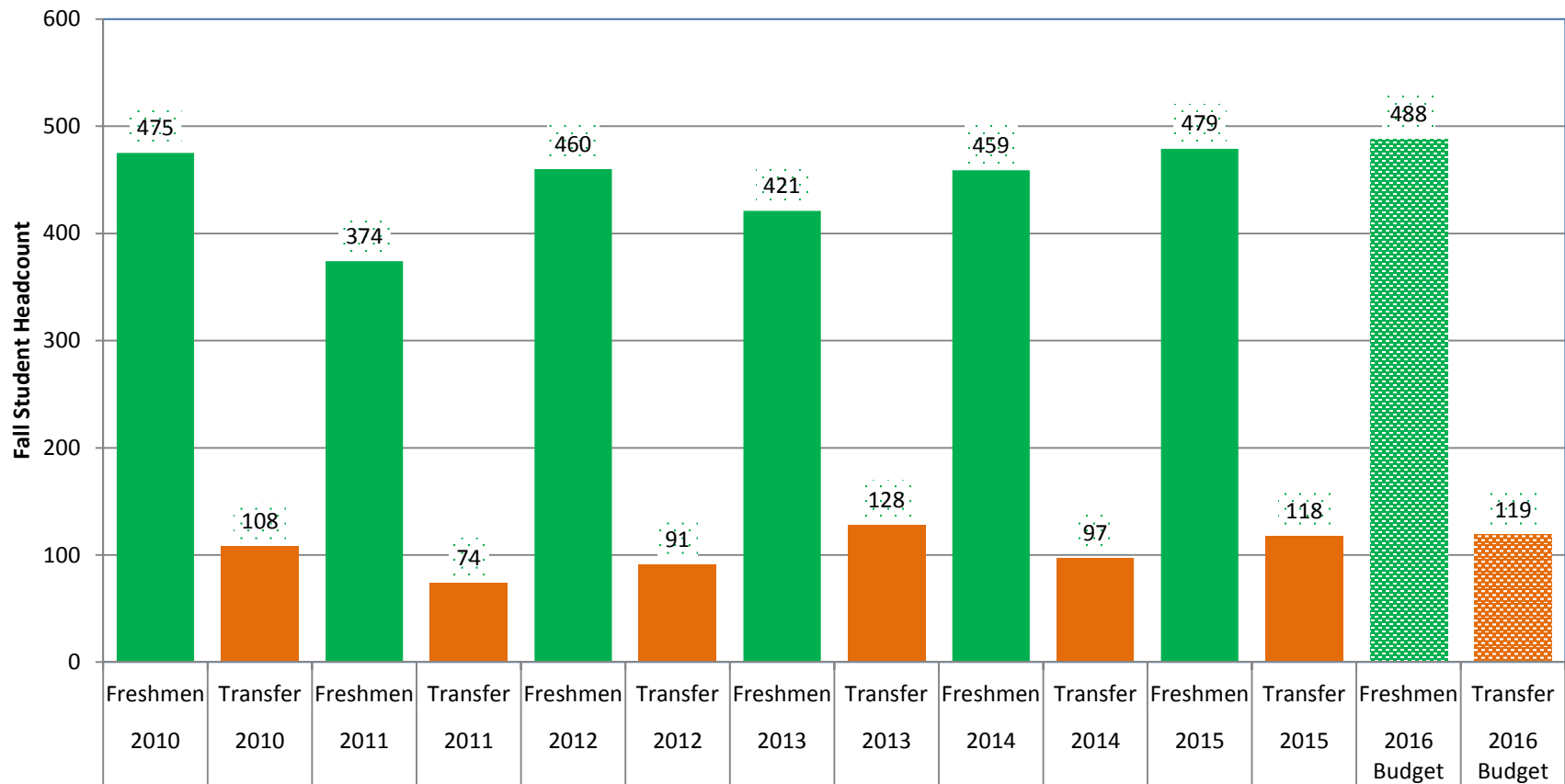


# FY 16/17 Tuition/Fee Rates

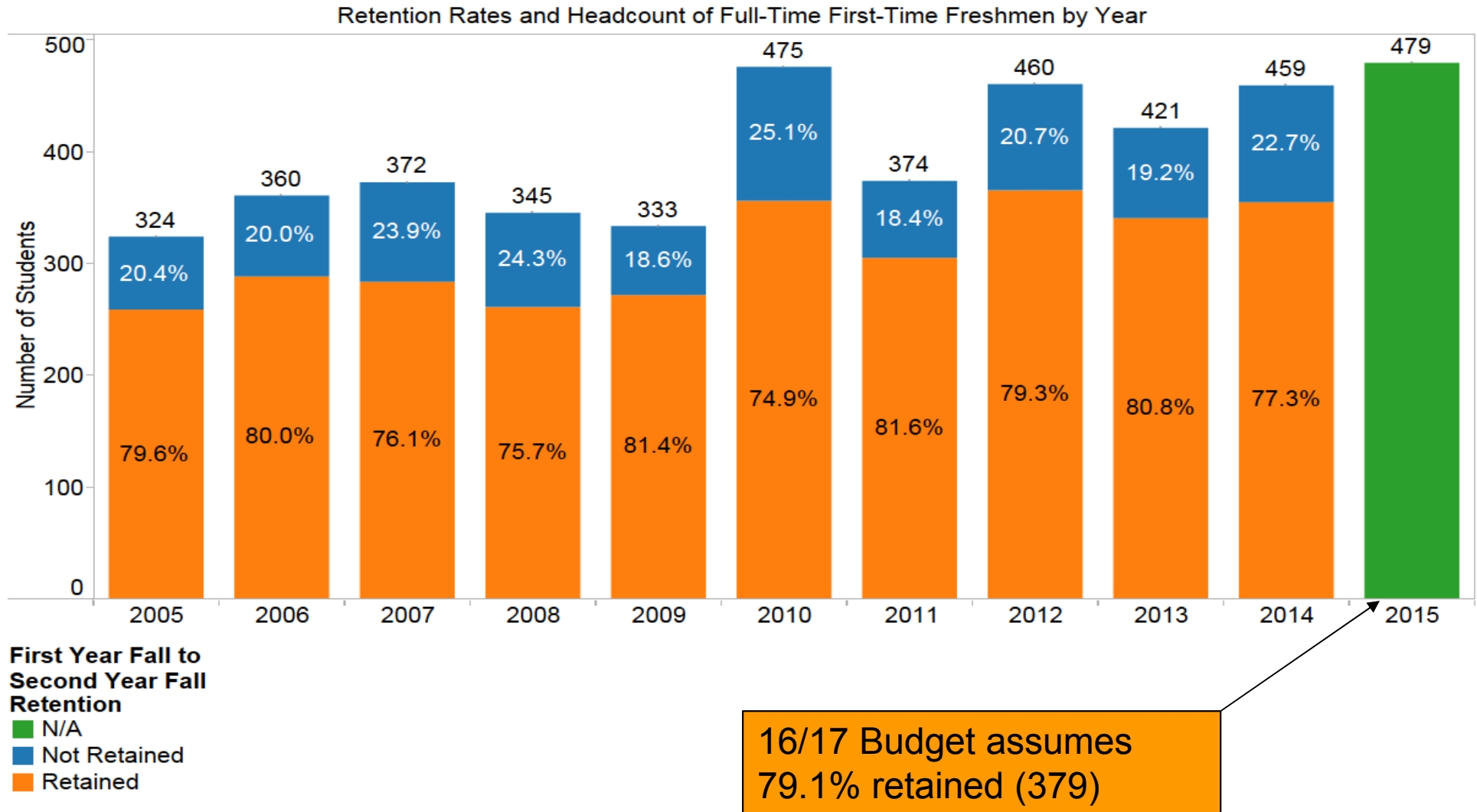
	Actual Tuition/Fee Rate								BOT Approved
	FY 12/13		FY 13/14		FY 14/15		FY 15/16		FY 16/17
Forest Grove Undergraduate (CAS, COE, COB)	\$ 35,260	4.9%	\$ 37,024	5.0%	\$ 38,510	4.0%	\$ 39,858	3.5%	\$ 41,054 3.0%
Masters of Social Work (2 yr program)	\$ -		\$ -		\$ 21,760		\$ 21,760	0.0%	\$ 21,760 0.0%
Masters of Social Work (Advanced Standing)	\$ -		\$ -		\$ -		\$ 22,440		\$ 22,440 0.0%
Masters of Fine Arts in Writing ~ includes Room Fee	\$ 17,020	4.5%	\$ 17,478	2.7%	\$ 17,948	2.7%	\$ 18,432	2.7%	\$ 18,932 2.7%
College of Business (MSF) ~ Credit Hour	\$ -		\$ 656		\$ 717	9.3%	\$ 790	10.2%	\$ 790 0.0%
College of Business (MBA) ~ Credit Hour	\$ -		\$ -		\$ 630		\$ 718	14.0%	\$ 718 0.0%
Education ~SLT Graduate per credit (all campuses)	\$ 640	2.4%	\$ 660	3.0%	\$ 680	3.1%	\$ 680	0.0%	\$ 687 1.0%
Education ~ SLT Eugene & WB Undergraduate	\$ 640	2.4%	\$ 660	3.0%	\$ 680	3.1%	\$ 680	0.0%	\$ 375 -44.9%
Education Speech-Language Pathology	\$ 28,980		\$ 29,850	3.0%	\$ 30,746	3.0%	\$ 31,822	3.5%	\$ 32,936 3.5%
Education ~ CSD Post Baccalaureate	\$ 640	2.4%	\$ 660	3.0%	\$ 680	3.1%	\$ 680	0.0%	\$ 375 -44.9%
Optometry (OD)	\$ 33,240	4.0%	\$ 34,572	4.0%	\$ 35,784	3.5%	\$ 37,212	4.0%	\$ 38,514 3.5%
<b>CHP</b>									
Audiology (AUD)	\$ 29,004		\$ 29,730	2.5%	\$ 30,474	2.5%	\$ 31,236	2.5%	\$ 32,175 3.0%
Dental Hygiene Studies (BS)	\$ 27,375	5.0%	\$ 28,745	5.0%	\$ 28,745	0.0%	\$ 29,320	2.0%	\$ 29,320 0.0%
Gerontology (Certificate) ~ Credit Hour	\$ 412	0.0%	\$ 496	20.4%	\$ 596	20.2%	\$ 742	24.5%	\$ 764 3.0%
Health Science (BS) ~ Credit Hour	\$ -		\$ 675		\$ 675	0.0%	\$ 450	-33.3%	\$ 455 1.0%
Healthcare Administration (Masters) ~ Credit Hour	\$ 775	5.0%	\$ 822	6.0%	\$ 872	6.1%	\$ 742	-14.9%	\$ 764 3.0%
Healthcare Compliance (Certificate) ~ Credit Hour	\$ -		\$ 822		\$ 872	6.1%	\$ 742	-14.9%	\$ 764 3.0%
Occupational Therapy (OTD)	\$ 31,042		\$ 32,134	3.5%	\$ 32,942	2.5%	\$ 33,273	1.0%	\$ 34,271 3.0%
Pharmacy (PharmD)	\$ 41,910	2.5%	\$ 42,960	2.5%	\$ 43,908	2.2%	\$ 43,908	0.0%	\$ 43,908 0.0%
Physical Therapy (DPT)	\$ 29,218	4.0%	\$ 30,752	5.3%	\$ 31,982	4.0%	\$ 32,942	3.0%	\$ 33,930 3.0%
PT Athletic Training (Masters)	\$ -		\$ 24,000		\$ 24,960	4.0%	\$ 24,960	0.0%	\$ 25,460 2.0%
Physician Assistants (MS)	\$ 31,446	3.0%	\$ 33,018	5.0%	\$ 34,671	5.0%	\$ 36,405	5.0%	\$ 38,590 6.0%
Professional Psychology (PsyD & PhD)	\$ 29,871	3.5%	\$ 30,468	2.0%	\$ 30,927	1.5%	\$ 31,857	3.0%	\$ 32,814 3.0%
Professional Psychology (MA/MS)	\$ 21,855	4.5%	\$ 22,512	3.0%	\$ 22,962	2.0%	\$ 23,652	3.0%	\$ 24,363 3.0%

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

# Undergraduate FG New Student Headcount (Budget Fall 2016)

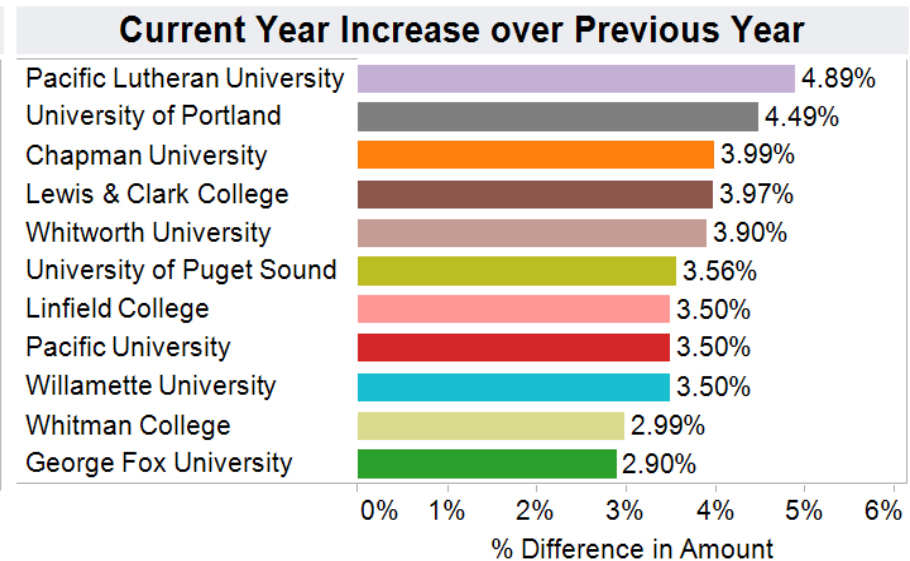
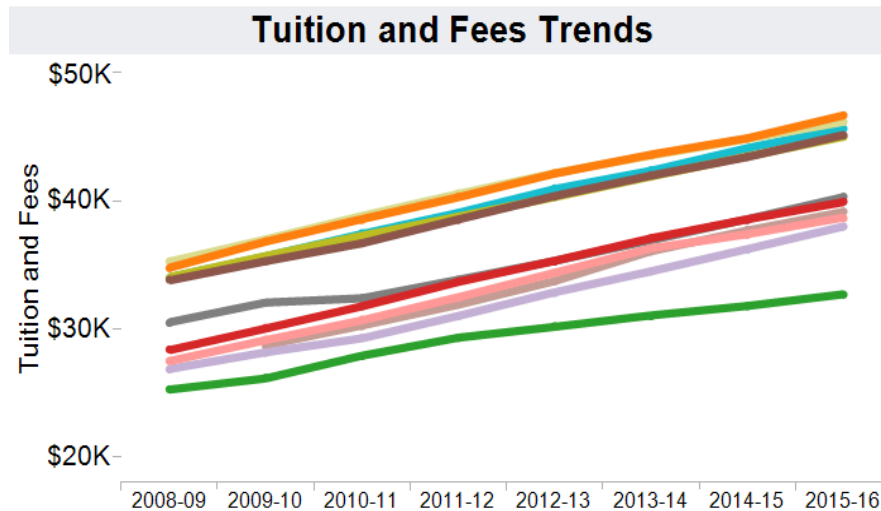
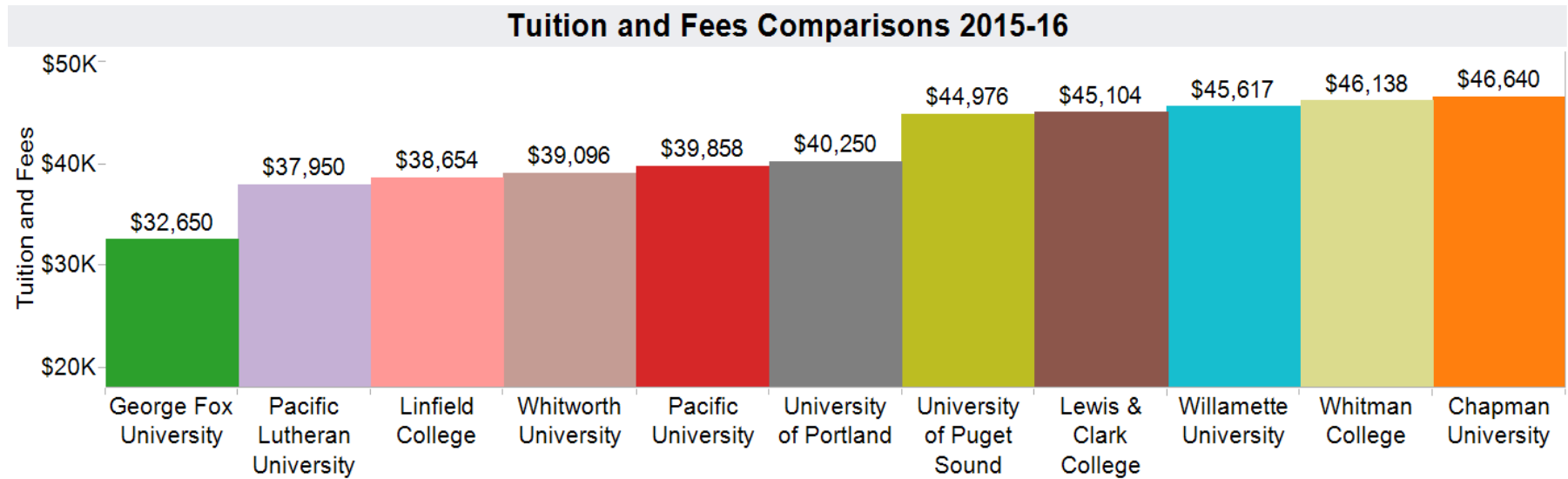


# UG FG Freshmen to Sophomore Retention



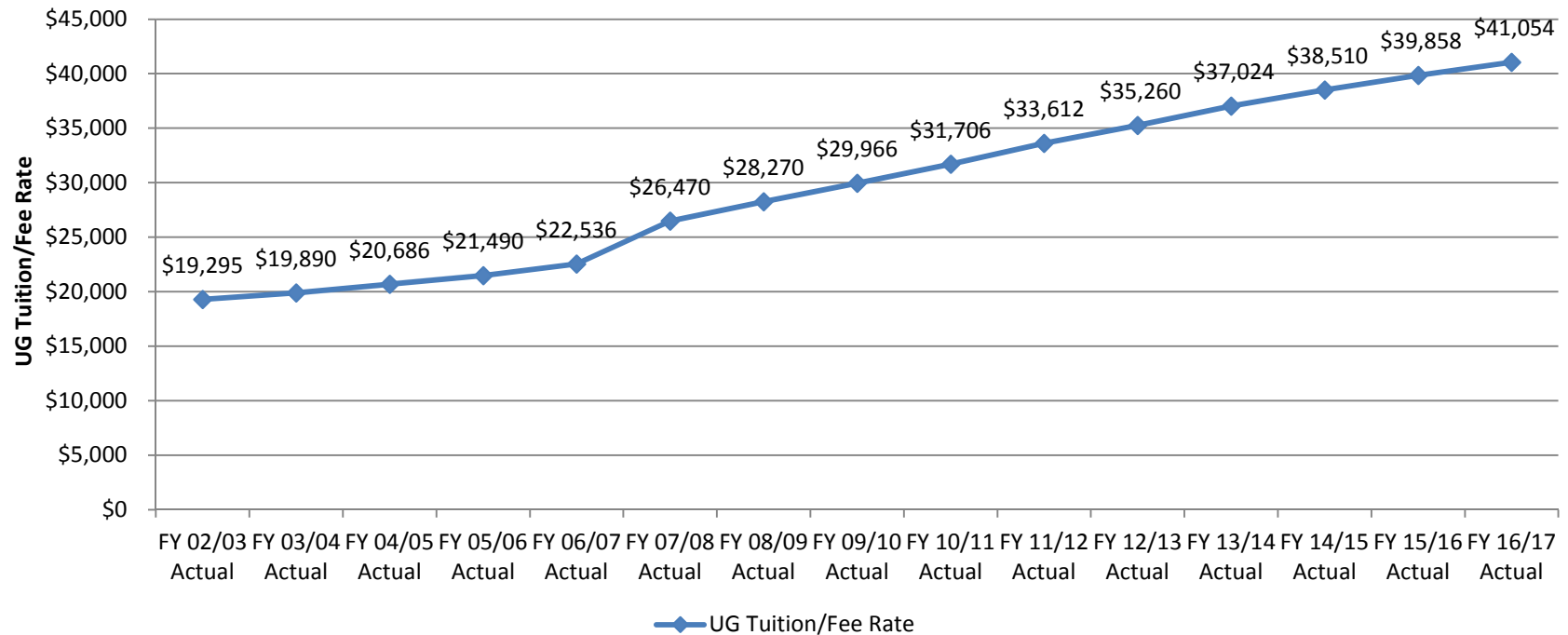
Historical data provided by IR

# Undergraduate



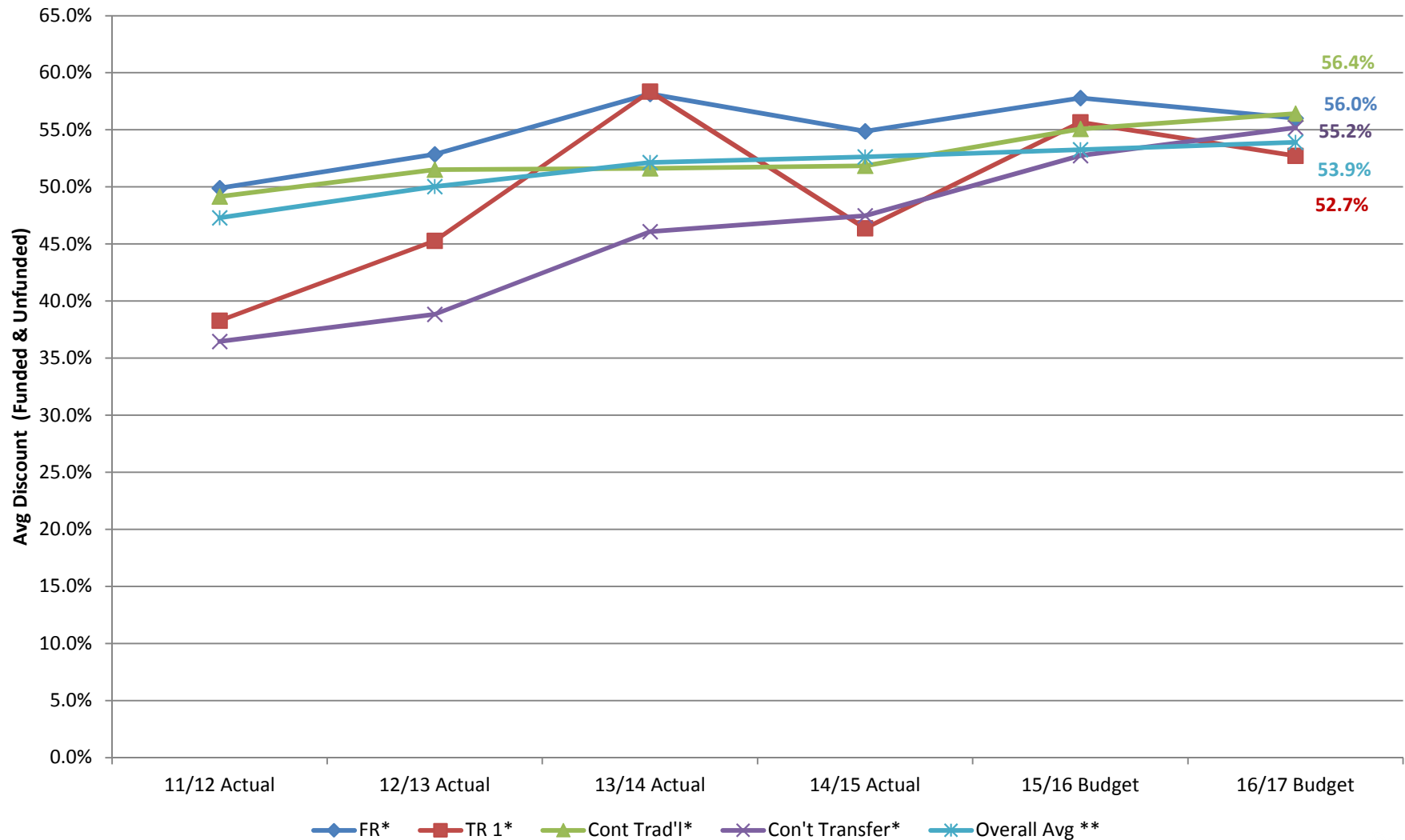
Data provided by IR

# FG Undergraduate Tuition/Fee Rate History



	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
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
\$ 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
% 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%

# Average Discount Rate ~ Undergraduate



\* FR, TR, Cont Trad'l, Con't Transfer % are based on fall award level to recipients

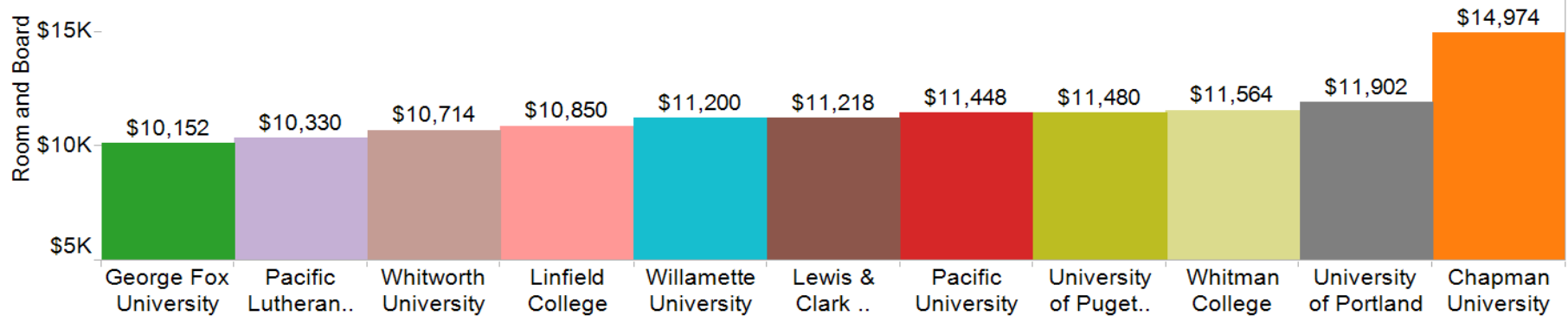
\*\* Overall Avg based on fall award level with projected spring attrition to total projected Avg FTE

OAICU Alliance Institutions: Comparative Student Loan Data*						
Oregon Institution	Average Loan Indebtedness	Percent Borrowing	Default Rate	% of Pell Grant Recipients	% Receiving Any Grant or Scholarship	
Concordia University	\$ 39,022.00		3.1%	42%	99%	
Corban University	\$ 26,407.00	80%	2.5%	35%	100%	
Geroge Fox University	\$ 25,143.00	75%	2.2%	34%	94%	
Lewis and Clark College	\$ 27,421.00	56%	1.6%	22%	89%	
Linfield College	\$ 28,697.00	70%	3.6%	26%	99%	
Marylhurst University	\$ 34,399.00	100%	3.3%	44%	100%	
Northwest Christian College	\$ 29,485.00	95%	1.8%	48%	100%	
Pacific University	\$ 25,844.00	87%	2.3%	32%	98%	
Reed College	\$ 19,151.00	53%	2.4%	18%	49%	
University of Portland	\$ 26,557.00	68%	1.5%	22%	98%	
Warner Pacific College	\$ 31,338.00	89%	6.1%	64%	99%	
Willamette University	\$ 26,936.00	66%	3.1%	21%	99%	
Oregon State Average	\$ 26,106.00	62%	13.7%			
OIT	\$ 29,685.00	72%	3.0%	27%	70%	
OSU	\$ 21,955.00	58%	3.9%	29%	62%	
PSU	\$ 28,410.00	62%	5.1%	35%	66%	
SOU	\$ 30,936.00	88%	6.4%	44%	66%	
UO	\$ 24,508.00	50%	4.6%	22%	61%	
WOU	\$ 28,331.00	68%	7.1%	40%	66%	

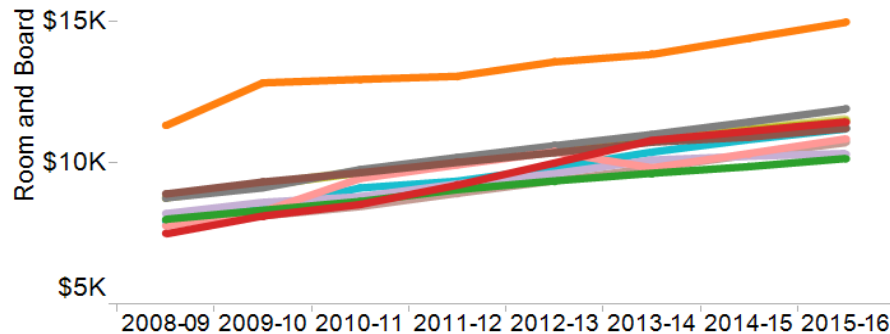


# Room & Meal Plan Comparisons

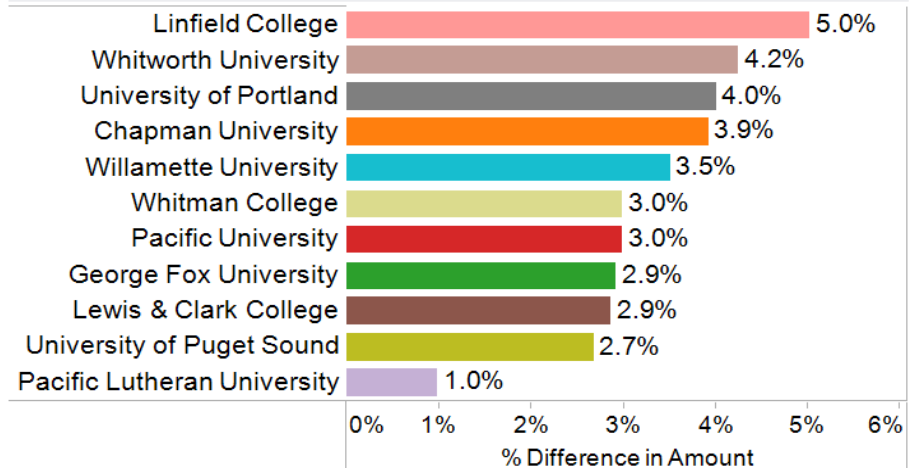
Room and Board Comparisons 2015-16



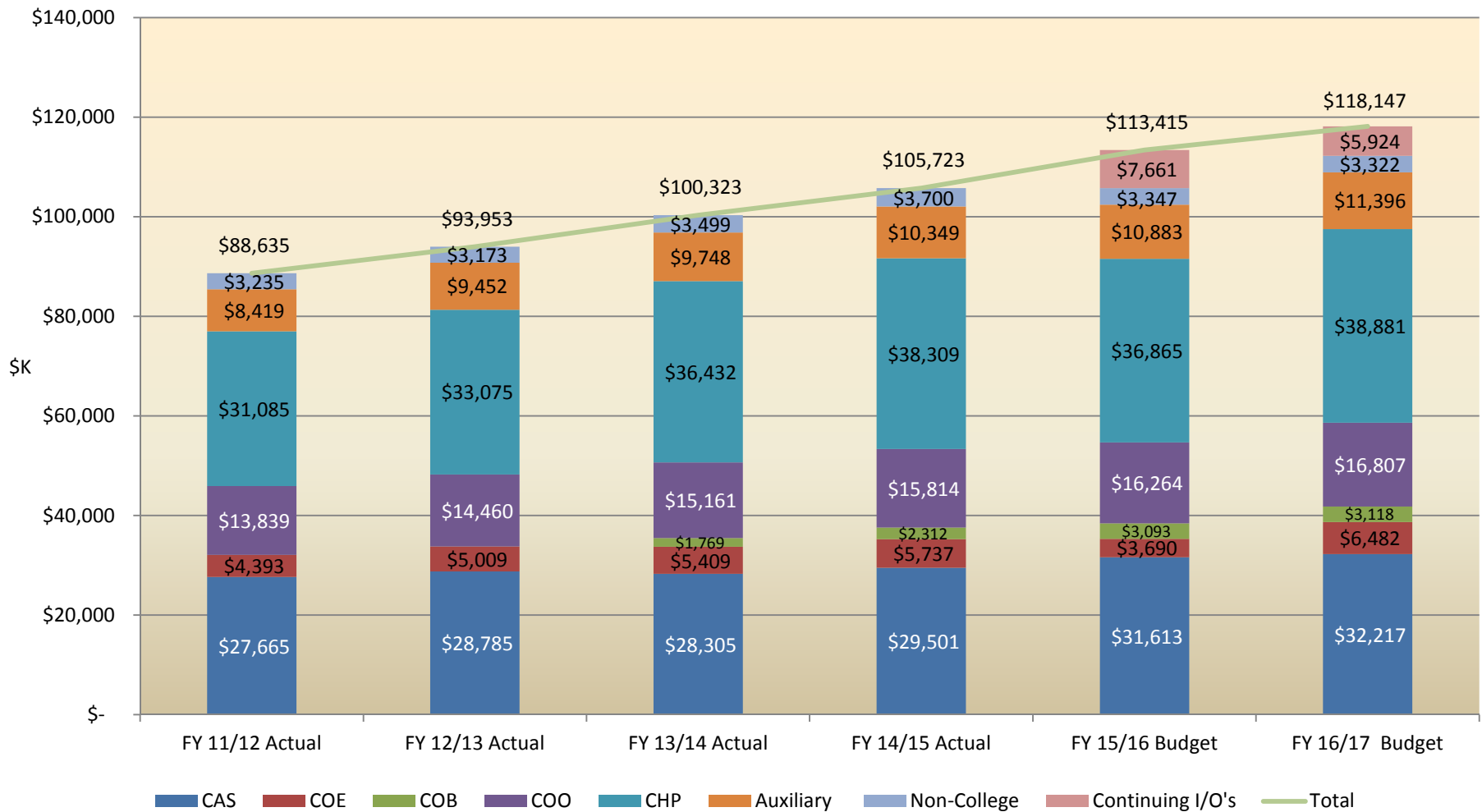
Room and Board Trends



Current Year Increase over Previous Year



# Revenue Trend & FY 16/17 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

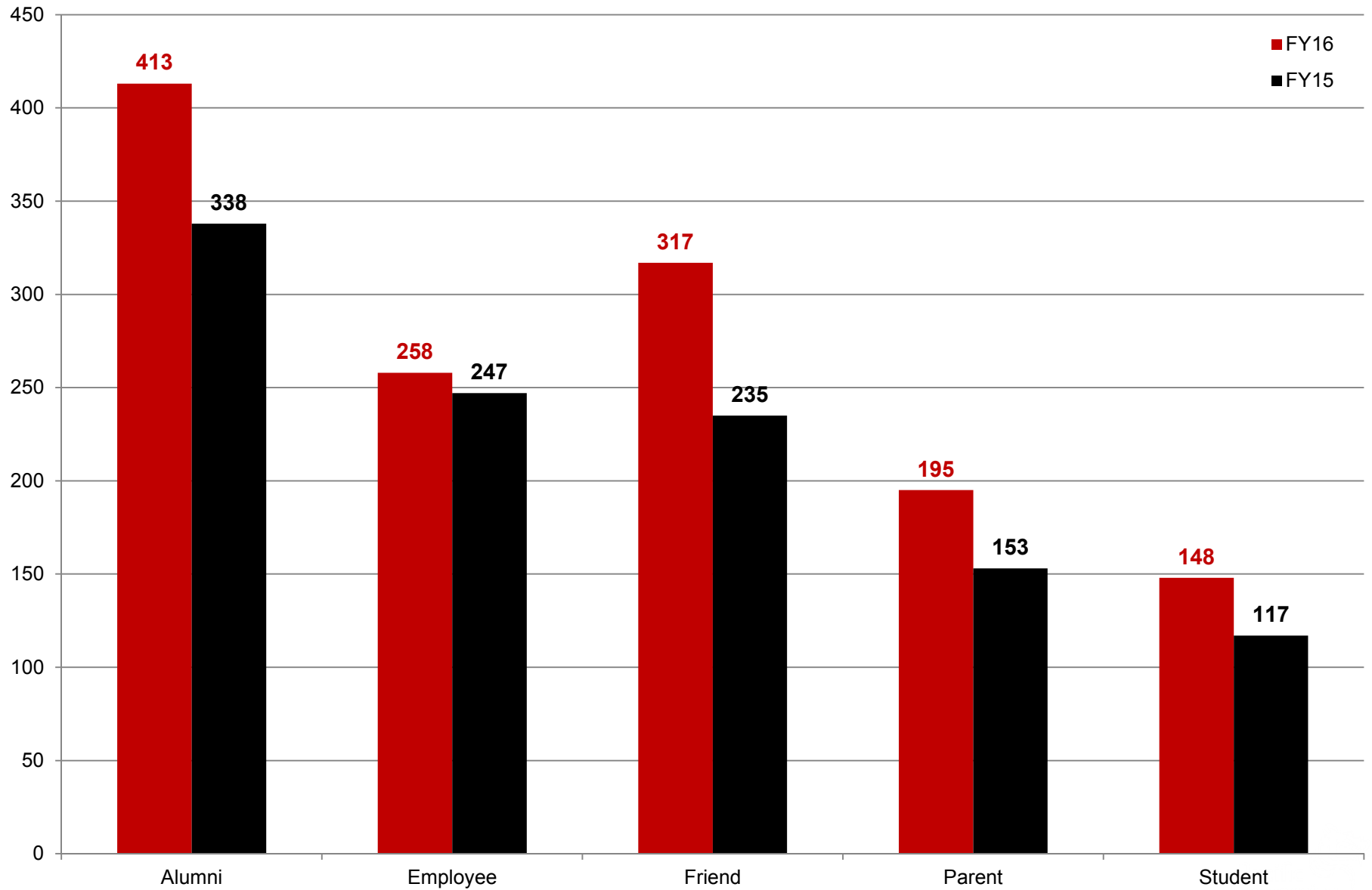
FY 12/13: FG UG Net Tuition Allocations to COE. FY 13/14> FG UG Net Tuition/Fee Allocations to COE & COB



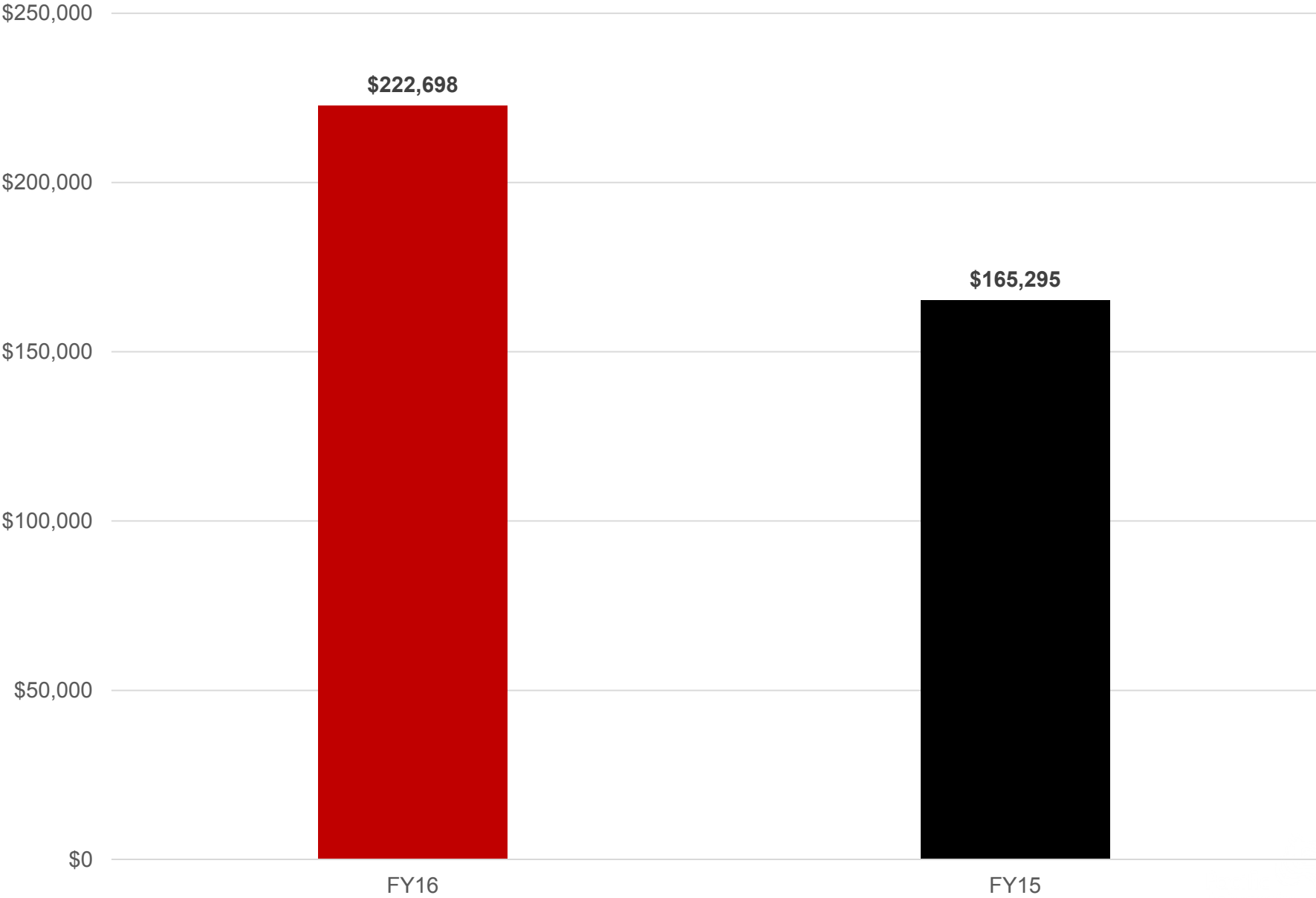
# **BOXER** Giving Day

3.15.16 — YOU DID IT!

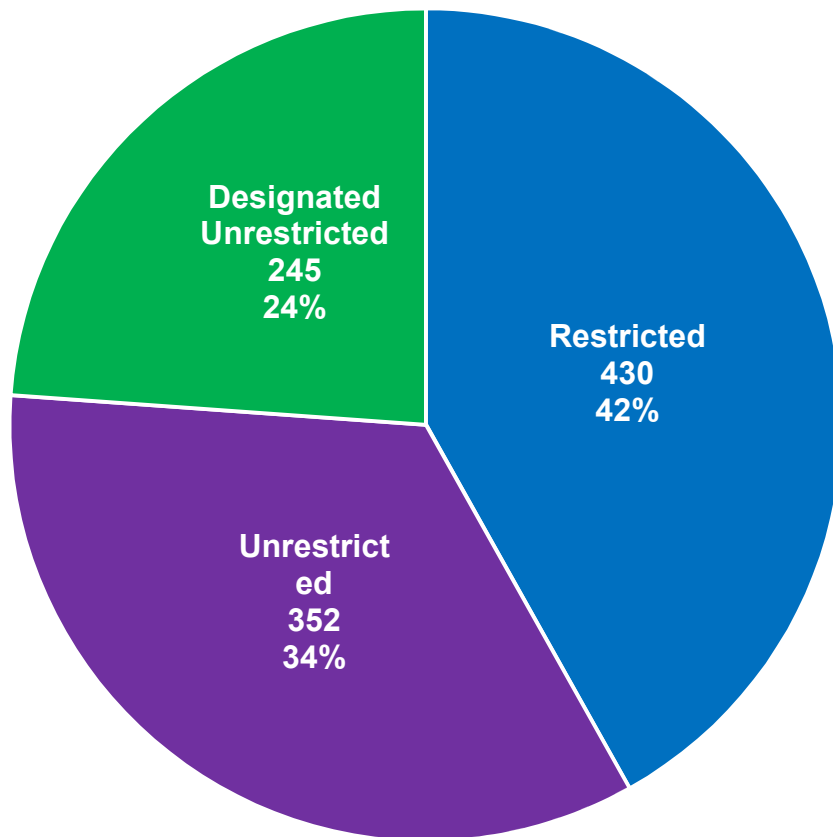
## FY16 Boxer Giving Day | Comparison of Demographics



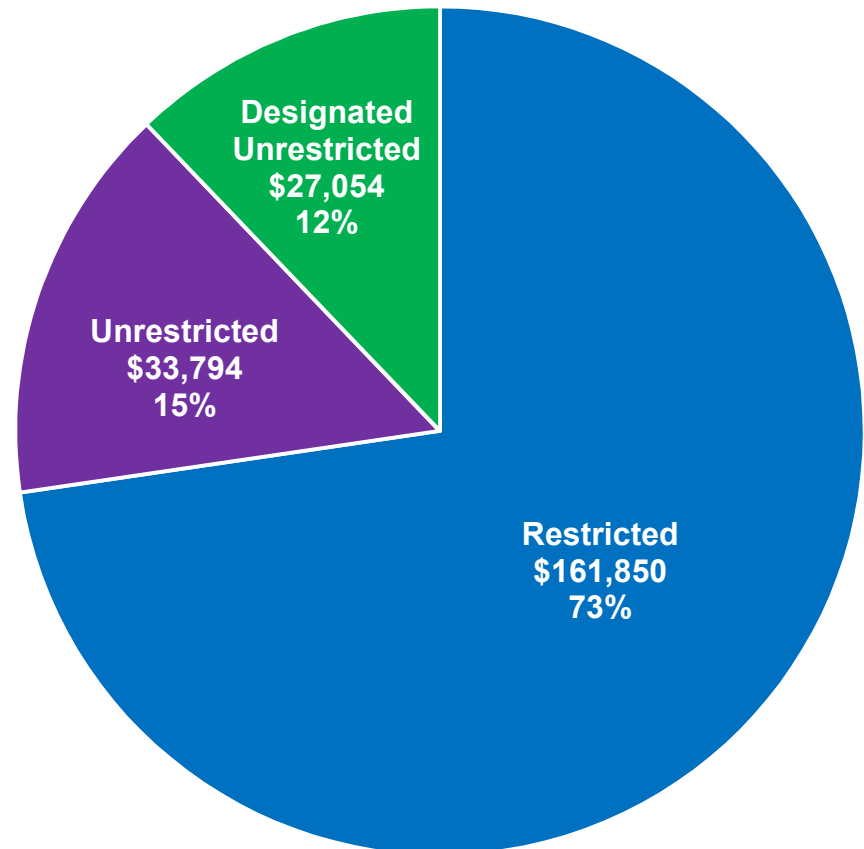
FY16 v FY 15 Boxer Giving Day | Dollar Comparison



**FY16 Boxer Giving Day | Funds by Gifts**



**FY16 Boxer Giving Day | Fund by Dollars**



**EXPENSE**

# FY 16/17 Expense Budget

	BOT Approved Budget FISCAL YEAR 2015/16			BOT Approved Budget FISCAL YEAR 2016/17			DIFFERENCE	
	Academic Operations	Support Services	Fiscal Year Total	Academic Operations	Support Services	Fiscal Year Total	\$ DIFF	% DIFF
<b>EXPENSES</b>								
Payroll	52,330,074	17,319,540	69,649,615	54,438,763	17,843,780	72,282,544	2,632,929	3.8%
General & Admin (non-payroll)	9,749,471	16,205,003	25,954,474	10,598,641	16,862,381	27,461,022	1,506,548	5.8%
Cap Equip/Transfers	388,324	683,654	1,071,978	302,353	596,654	899,007	(172,971)	-16.1%
Debt Service (principal and interest)	-	6,377,186	6,377,186	-	6,317,790	6,317,790	(59,396)	-0.9%
<b>Sub-total</b>	62,467,869	40,585,383	103,053,252	65,339,757	41,620,605	106,960,362	3,907,111	3.8%
Financial Aid Matching Awards	-	440,000	440,000	-	340,000	340,000	(100,000)	-22.7%
<b>Other Adjustments:</b>								
Residual Salary Pool & Cabinet Fund	-	351,103	351,103	-	150,000	150,000	(201,103)	-57.3%
16/17 Salary Pool (ATB % & Comparability)	-	-	-	-	2,408,815	2,408,815	2,408,815	100.0%
Contingency	-	2,100,000	2,100,000	-	2,200,000	2,200,000	100,000	4.8%
<b>Sub-total Expenses</b>	62,467,869	43,476,485	105,944,354	65,339,757	46,719,420	112,059,177	6,114,823	5.8%
<b>Investment Opportunity Expenses**</b>	7,070,997	400,000	7,470,997	5,988,222	100,000	6,088,222	(1,382,775)	-18.5%
<b>Total Expenses</b>	<b>69,538,866</b>	<b>43,876,485</b>	<b>113,415,351</b>	<b>71,327,979</b>	<b>46,819,420</b>	<b>118,147,399</b>	<b>4,732,048</b>	<b>4.2%</b>
<b>Net Revenues &amp; Expenses</b>			<b>0</b>			<b>0</b>		

\*\* Speech Language and Gerontology transitioned from Investment Opportunity to Operations from 15/16>16/17



# FY 16/17 Compensation Budget

July 1, 2016:

- ✓ Approximately 2% increase for all benefit eligible employee
- ✓ Comparability:
  - \$800K (\$936K with fringe)
  - Focused on staff
  - Based on updated staff compensation structure & market data
  - Years of service honored in how rapidly median is reached
- ✓ 14 Faculty Promotion Candidates
  - 10 Assistant to Associate Professor Candidates (\$3,000/promotion)
  - 4 Associate to Full Professor Candidates (\$4,000/promotion)
- ✓ 9% 403B (Retirement) Contribution ~ no change

# FY 16/17 Benefits Cost

## Pioneer Education Health Trust Plan (Regence):

- 9.31% increase in Medical (originally 18+%)
  - Deductibles:
    - » Increase participating from \$500 per claimant to \$1,500
    - » Out of Network increase from \$1,000 to \$3,000
  - Out of Pocket Maximum
    - » Increase participating from \$3,500 to \$4,000
    - » Non participating decrease from \$10,500 to \$8,000
  - Co-pay
    - » Specialized Office Visit increased from \$25 to \$50
- 3.77% increase in Dental

## Kaiser Plan

- 6% Increase in Medical
  - 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

# **ACHIEVEMENTS, RISKS, AND NEXT STEPS**

# Achievements of FY 2016/17 Budget

- ✓ Minimized tuition/fee rate increases. Most programs ~ 3%
- ✓ Continued budgeted growth in undergraduate and graduate enrollment
- ✓ Support for continuing Investment Opportunities
- ✓ Start of phased in funding for online support initiative
- ✓ \$2.3M Contingency (\$2.2M Operations, \$100K Invest. Oppty)
- ✓ Strategic focused positions funded; Retention, Advising, etc.

# Achievements of FY 2016/17 Budget

- ✓ Additional resources to enrollment growth areas and accreditation requirements: PA, OT, and Pharmacy
- ✓ Budget experienced leveling of debt service
- ✓ Accounts for employer cost increases in medical and dental plans
- ✓ Funded expected increase in utilities and central costs (insurance, leases, meal plan contract costs)
- ✓ Balanced budget from \$10M gap in December. Accomplished by re-evaluating revenue assumptions and reducing expense requests and base budget levels (final \$5.7M gap reduced with an overall reduction of 4.7% in the College budgets and 5.1% in the Administrative areas).

# Identified Risks in FY 2016/17 Budget

- ✓ Undergraduate Net Revenue ~ meet budget goals of:
  - ✓ Enrollment: 488 Freshmen, 119 New Transfer
  - ✓ Freshmen/Sophomore Retention 79.1% (77.3% PY actual)
  - ✓ Financial Aid: Freshman Average Discount 56%, New Transfer 53%
- ✓ Room & Meal Plan:
  - ✓ Achieve occupancy 95% fall 2016, average 16/17 92%
- ✓ Graduate Program Enrollment Pools:
  - ✓ Most programs still strong but need to continue to watch usage of wait lists, student quality, student success (stop outs)
  - ✓ Some specific programs have enrollment challenges; have attempted to reset expectations but that process is ongoing
- ✓ Investment Opportunity Budgets:
  - ✓ Risk in achieving budgeted enrollment: MSW, BHS, Compliance, and Criminal Justice

# Identified Risks and Next Steps once FY 2016/17 Budget is Implemented

- ✓ Expense budgets ~ impact of budget reductions to be monitored; some reallocation within units
- ✓ Capital Project Funding (primarily from year end surplus)
- ✓ Level of 1x expense reductions, particularly in academic programs
- ✓ Permanent reduction and allocation long term planning has begun using a 2-5 year time timeline (analogous to the business plans developed for Investment Opportunities
  - ✓ Incorporate IP 2020 data and outcomes into strategic planning and budgeting
  - ✓ Analyze administrative areas regardless of location (i.e. within a College or in a central administration area)
  - ✓ Needs to be comprehensive and effective in achieving long term efficiencies and reallocations
  - ✓ Needs to empower leadership at all levels

# Thank you for attending!

- Questions?
- Comments?
- Suggestions?