

New Jersey Institute of Technology

Joint Session of the
Strategic Planning Steering Committee and
Committee on Academic Strategic Planning
& Budget Priorities

October 13, 2016

FY2017 Approved Budget Highlights

Overview

(Reflects Changes from FY16 Projected Year-End)

- The proposed FY2017 Operating Budget is \$451.7M, an overall increase of \$25.2M (5.9%) and is comprised of \$327.7M of unrestricted funds and \$124.0M of restricted funds
- FY2017 *'2020 Vision'* funds total \$4.8M (\$1.5M for new Faculty hires, \$3.3M for CRR). The 3 year cumulative investment totals \$47.2M. *'2020 Vision'* priorities include increased enrollments with higher students' profile, a focus on student success, investment in faculty, improving student/faculty ratios, and reinvigoration of research through new and renovated facilities
- The FY2017 Operating Budget includes the establishment of a \$2.5M reserve
- The recommended balanced budget includes an in-state undergraduate 1.25% tuition rate increase and 5.76% fee rate increase for a weighted average 2.0% increase

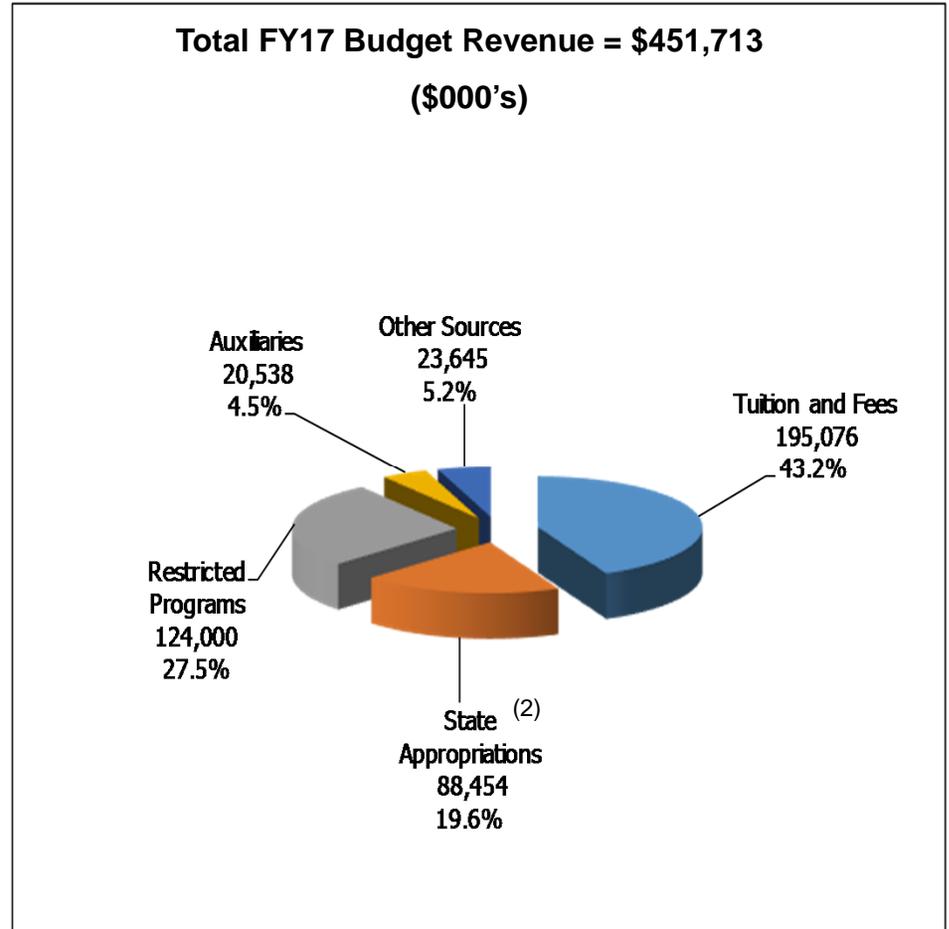
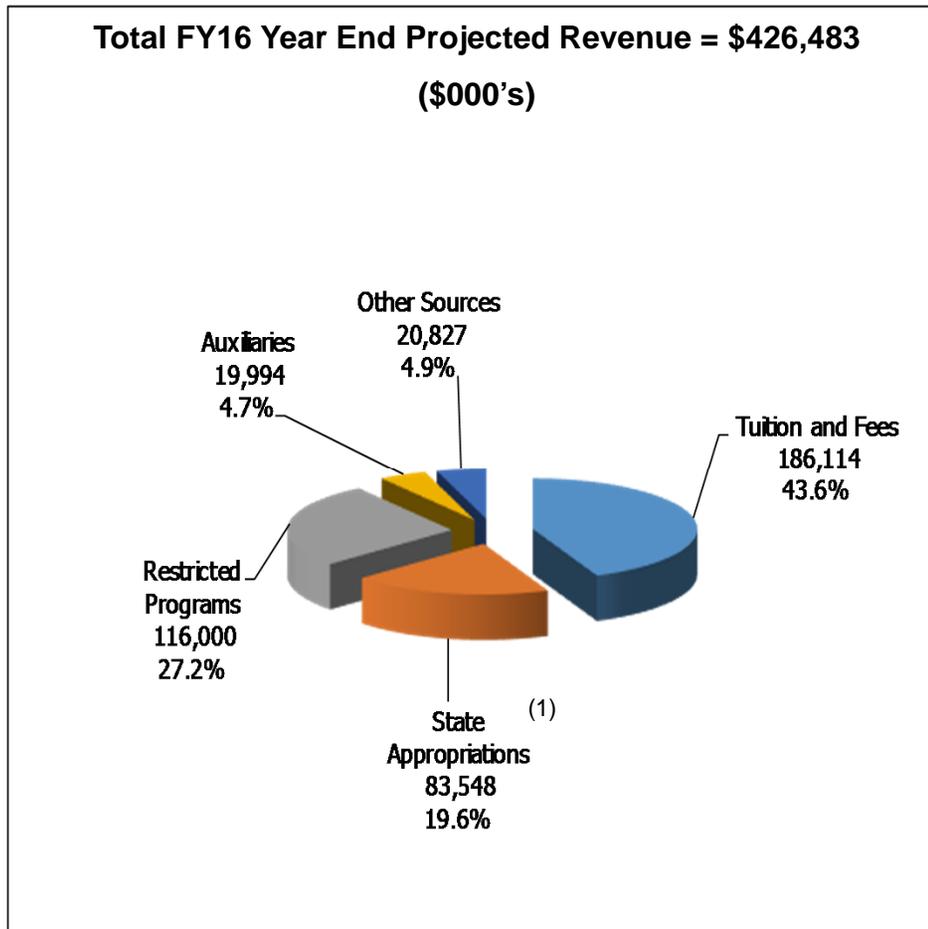
FY17 Recommended Full-Time Tuition and Fees							
	<u>Tuition</u>		<u>Fee</u>		<u>Total Tuition & Fees</u>		
	\$ Δ	% Δ	\$ Δ	% Δ	\$	\$ Δ	% Δ
<u>Undergraduate</u>							
in-state	84	1.25%	77	5.76%	8,215	161	2.00%
out-of-state	277	2.00%	77	5.76%	15,517	354	2.33%
<u>Graduate</u>							
in-state	254	2.75%	77	5.81%	10,907	331	3.13%
out-of-state	376	2.75%	77	5.81%	15,449	453	3.02%

FY2017 Approved Budget Highlights **Overview (continued)**

- Unrestricted Funds: \$17.2M (5.5%) growth is due to:
 - \$9.0M (4.8%) due to anticipated enrollment of 11,585 (2.3% increase) and the recommended tuition and fee rate increase
 - \$4.9M increase in State Supported Fringe Benefits
 - \$2.8M increase to other revenue sources, which includes an additional \$2.4M carryover of prior year commitments and \$0.4M increase in indirect cost recoveries resulting from increased research activities
 - \$0.5M increase to Auxiliaries

- Restricted Funds: \$8.0M (6.9%) growth includes grants, contracts, and restricted student awards

FY2016 Year End Projected and FY17 Approved Budget All Funds - Revenue Charts



(1) FY16 State Appropriation includes: \$35.440M Base Appropriation, \$48.108M Fringe Benefits

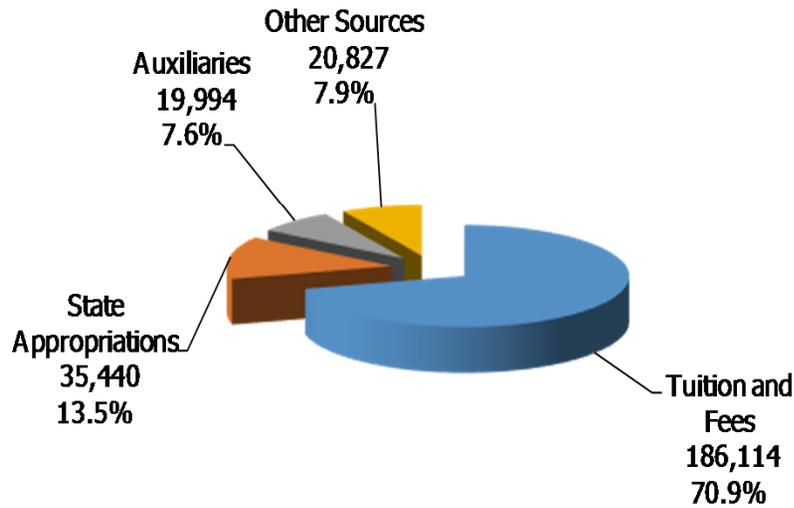
(2) FY17 State Appropriation includes: \$35.440M Base Appropriation, \$53.014M Fringe Benefits

FY2016 Year End Projected and FY17 Approved Budget Controllable Unrestricted Funds - Revenue Charts

(Excludes State-Funded Fringes and Restricted Programs)

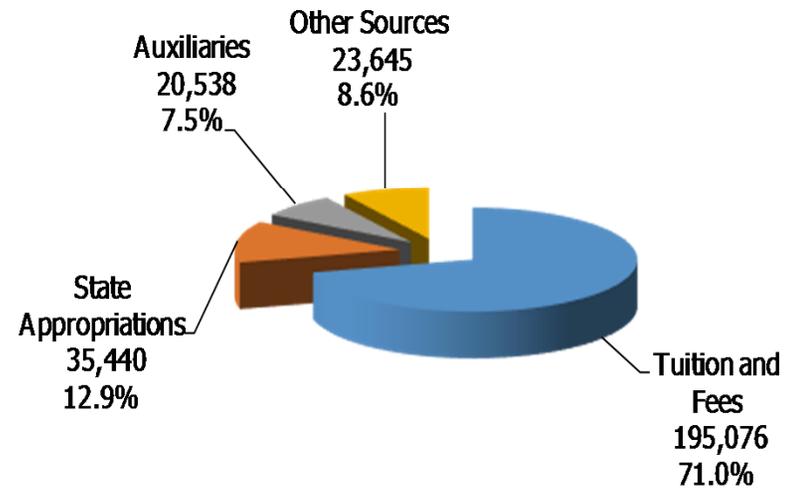
Total FY16 Year End Projected Revenue = \$262,375

(\$000's)



Total FY17 Budget Revenue = \$274,699

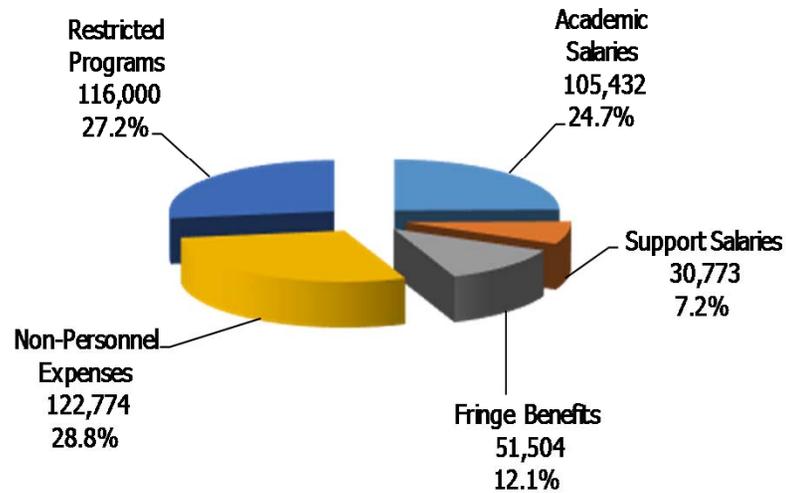
(\$000's)



FY2016 Year End Projected and FY17 Approved Budget All Funds - Expense Charts

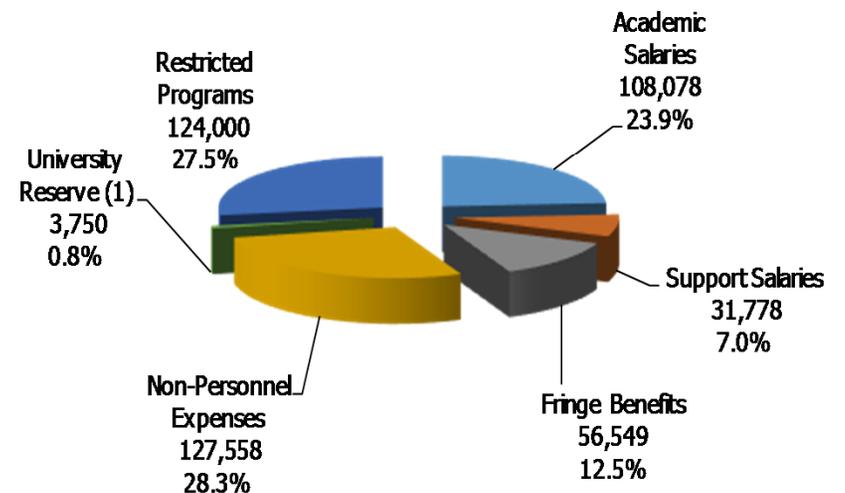
Total FY16 Year End Projected Expenses = \$426,483

(\$000's)



Total FY17 Budget Expenses = \$451,713

(\$000's)



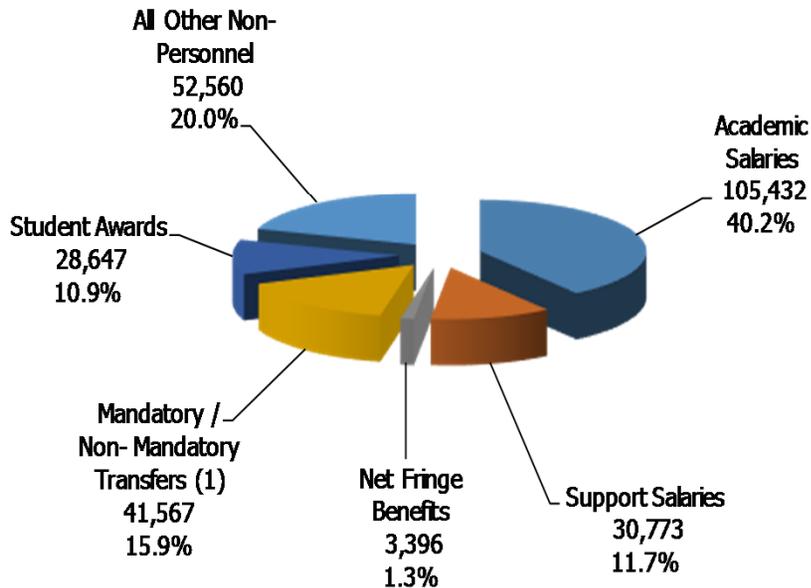
(1) FY17 University Reserve includes \$2.5M General University Reserve and \$1.25M State Health Benefit Program Reserve.

FY2016 Year End Projected and FY17 Approved Budget Controllable Unrestricted Funds - Expense Charts

(Excludes State-Funded Fringes and Restricted Programs)

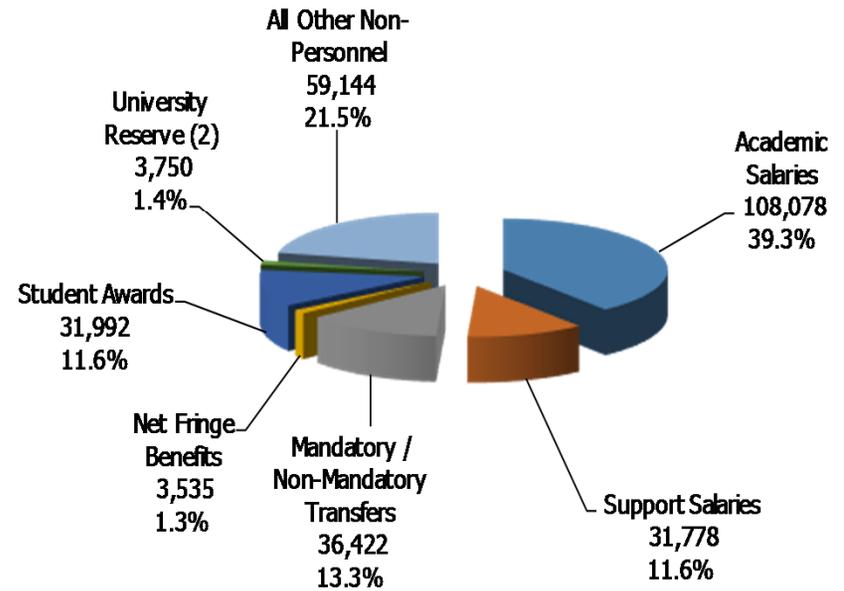
Total FY16 Year End Projected Expenses = \$262,375

(\$000's)



Total FY17 Budget Expense = \$274,699

(\$000's)



(1) Anticipates \$3.7M projected year-end transfer to the working capital reserve and \$1.6M returned from FSIP II Program.

(2) FY17 University Reserve includes \$2.5M General University Reserve and \$1.25M State Health Benefit Program Reserve.

FY2017 Approved Budget Highlights

Revenue Details

(Reflects Changes from FY16 Projected Year-End)

- \$9.0M increase to Tuition and Fees due to additional enrollment and approved tuition and fee rates, including:
 - \$4.2M additional base tuition and fee revenue
 - Projected enrollment of 11,585, an increase of 260 (2.3%) above Fall 2015
 - Projected revenue includes typical Fall to Spring attrition
 - \$4.2M additional tuition and fee revenue, due to recommended tuition and fee rate increases of: UG In-State (2.0%) UG Out-of-State (2.3%) GR In-State (3.1%) GR Out-of-State (3.0%)
 - \$0.6M increase in other tuition, including: Pearson Programs, EMBA, Pre-College, and summer and winter programs

FY2017 Approved Budget Highlights

Revenue Details (Continued)

(Reflects Changes from FY16 Projected Year-End)

- \$4.9M (10.2%) net increase to State Supported Fringes
- \$2.8M increase to Other Sources including:
 - \$2.4M increase in carryover of prior year commitments
 - \$0.4M increase in indirect cost recoveries from external grants
- \$0.5M increase to Auxiliaries including:
 - \$0.2M additional Residence Halls and Greek Village (2% rate increase)
 - \$0.3M additional parking fees from increased employee and student rates
- \$8.0M (6.9%) growth in restricted programs, which includes grants, contracts, and restricted student awards

FY2017 Approved Budget Highlights

Expense Details

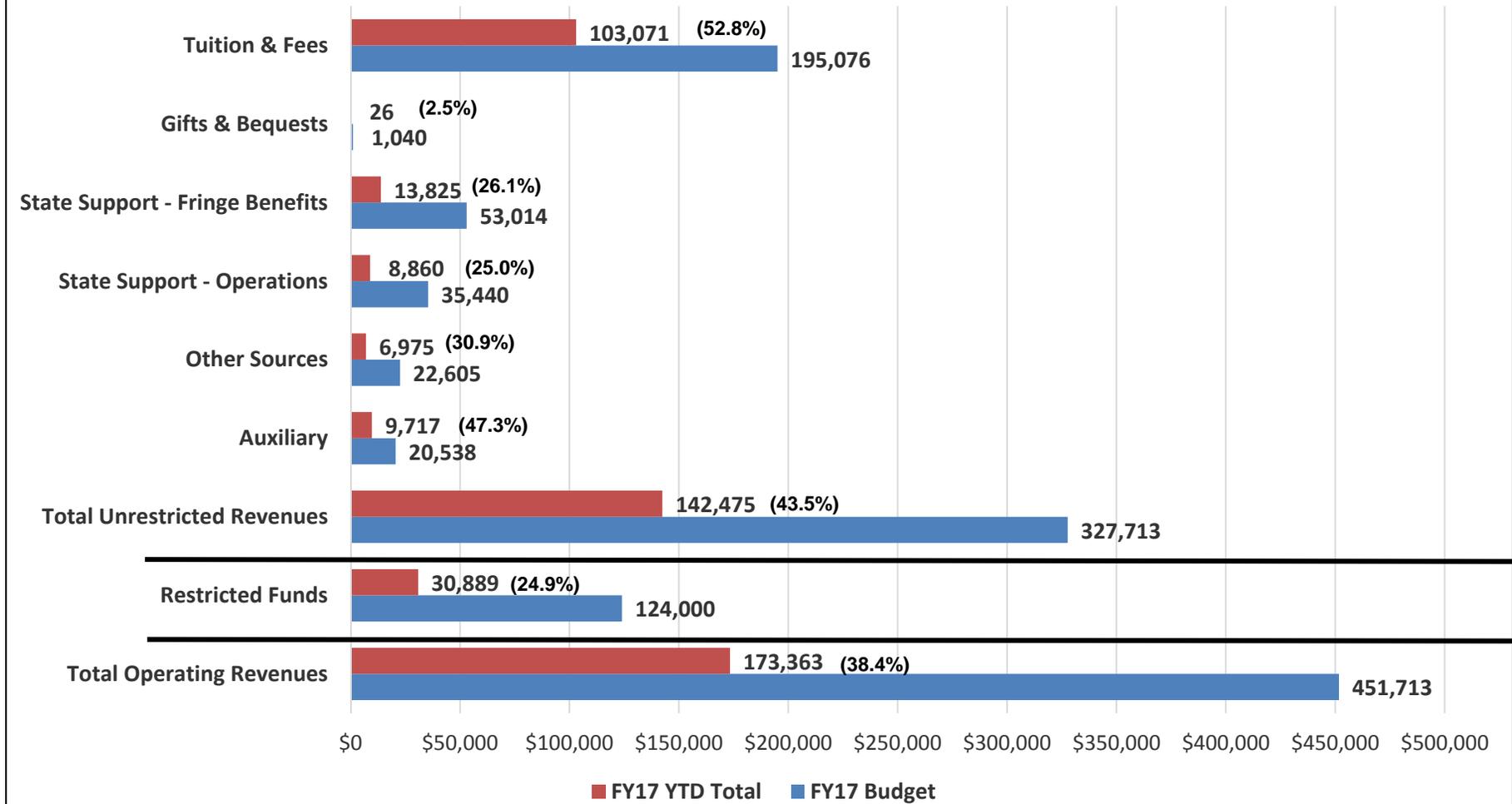
(Reflects Changes from FY16 Projected Year-End)

- \$1.5M –Net budget impact of 20 new Faculty, including year 1 start-up (new start-up packages total \$5.4 Million spread over 3 fiscal years)
- \$3.3M – New funds supporting Capital Renewal and Replacement (CRR)
 - FY17 CRR budget totals \$16.0M (see page 11 for details)
- \$3.3M (11.7%) increase to student awards, resulting in a total budget of \$32.0M, due to an increased number of high achieving new and returning students
- \$5.0M increase to employee benefits, most of which are State supported
- \$1.9M salary turnover target (1.1%) Faculty and (2.2%) Staff
- \$1.25M State Health Benefits Program Reserve
- \$0.9M for non-personnel related inflation
- \$8.0M (6.9%) growth in restricted programs, which includes grants, contracts, and restricted student awards

FY17-FY20 Approved Capital Budgets (\$000's)

Project Type	FY16	FY17 Funds	Use FY16 Fund Avail	FY18	FY19	FY20	FY16-FY20 Total
Annual Maintenance Projects	3,235	4,509		5,000	5,100	5,775	23,619
<u>FY17 Requests - Funded from FY16 Budgets</u>							
GITC - Equip/Furnish Big Data Lab in GITC 4219		-	275				
Fenster - 3rd Floor Conference Room 325 - 1/2 NJIT & 1/2 Panasonic		-	200				
GITC - Equip/Furnish Cyber Security Research Center in GITC 4323		-	300				
Theater - Single person personnel lift		-	14				
Furniture for Reception Area of HR		-	10				
Theater - Scene Life Safety and Code Compliance		-	10				
Theater - Grand curtain replacement and rigging correction		-	7				
<u>FY17 Requests - VP Recommended</u>							
Cypress - Exterior Façade Phase 1 (EMERGENT REPAIR REQUIRED)		3,100					
GITC - Front steps (EMERGENT REPAIR REQUIRED)		250					
GITC - Factory Floor Renovation to Collaborative Learning; Makerspace		1,000					
Campbell - Pre-College Renovations and move		1,200					
CAB - Renovation of 2nd Floor		1,250					
New Faculty Laboratories (Placeholder)		2,000					
Lifecycle replacement of IT equipment and Infrastructure		575					
Student Mall - Bursar and Registrar Renovations for service improvements		545					
Campus Wide - Learning communities - total 3 @\$150,000		150					
Cullimore - Relocation of CSLA Dean's Office to 2nd Floor		750					
Relocation of Bookstore and Associated Rearrangements		350					
GITC - NCE Dean to Kupfrian		375					
Subtotal Major Capital Project Requests	9,487	11,545	816	10,996	12,045	14,981	59,054
							-
Total Requested Projects	12,722	16,054		15,996	17,145	20,756	82,673
'2020 Vision' CRR Budgets	12,722	16,054		15,204	17,145	20,756	
Budget Surplus / (Overage)	\$ -	\$ -		\$ (792)			
FY17 Budget Change from FY16		3,332					

FY17 Operating Budget \$451,713,000
Revenue Components: Budget vs. YTD Total (\$000's) and Percentages
As of September 30, 2016



FY2015 Year End Committed, FY2016 Year End Projected, and FY2017 Approved Budget - Executive Summary (\$000's)

	<u>FY2015 Year End Committed</u>	<u>FY2016 Year End Projected</u>	<u>FY2017 Approved Budget</u>	<u>\$ Δ FY2017 / FY2016</u>	<u>% Δ FY2017 / FY2016</u>
Income					
Tuition and Fees	169,320	186,114	195,076	8,962	4.8%
State Appropriation - Base	37,696	35,440	35,440	-	0.0%
State Appropriation - Fringe Benefits ⁽¹⁾	43,194	48,108	53,014	4,906	10.2%
Auxiliaries	18,904	19,994	20,538	544	2.7%
Other Sources ⁽²⁾	19,133	20,827	23,645	2,818	13.5%
Subtotal Operating Revenue	288,247	310,483	327,713	17,230	5.5%
Restricted Programs	106,000	116,000	124,000	8,000	6.9%
Grand Total Revenues	394,247	426,483	451,713	25,230	5.9%
Expense					
Academic Area Salaries	94,544	100,689	108,078	7,389	7.3%
FSIP III Program		4,743		(4,743)	-100.0%
Subtotal - Academic Year Salaries	94,544	105,432	108,078	2,646	2.5%
Support Area Salaries	29,342	30,773	31,778	1,005	3.3%
Fringe Benefits ⁽¹⁾	43,513	51,504	56,549	5,045	9.8%
Subtotal - Personnel	167,399	187,709	196,405	8,696	4.6%
General Non-Personnel ⁽²⁾	46,715	52,560	59,144	6,584	12.5%
Student Awards	24,534	28,647	31,992	3,345	11.7%
Mandatory Transfers	19,727	18,797	18,795	(2)	0.0%
Non-Mandatory Transfers ⁽³⁾	29,872	22,770	17,627	(5,143)	-22.6%
Subtotal -Non-Personnel	120,848	122,774	127,558	4,784	3.9%
State Health Benefits Program Reserve	-	-	1,250	1,250	0.0%
University Reserve			2,500	2,500	0.0%
Subtotal Operating Expenses	288,247	310,483	327,713	17,230	5.5%
Restricted Programs	106,000	116,000	124,000	8,000	6.9%
Grand Total Expenses	394,247	426,483	451,713	25,230	5.9%
Surplus/ (Deficit)	-	-	-	-	

(1) Fringe Benefits (Income and Expense) does not include impact of GASB 68, which will be included in year-end financial reporting only and has no cash impact.

(2) Includes \$2.4M of prior year commitments above FY16 year-end projected.

(3) Anticipates \$3.7M projected year-end transfer to the working capital reserve and \$1.6M returned from FSIP II Program.