

**\*\*\* APPROVED ON 7/22/21 \*\*\***

# **New Jersey Institute of Technology**

## **FY2022 Proposed Operating & Capital Budgets**

Presented to the Board of Trustees

July 22, 2021

**BUDGET NOTES:**

1. FY22 Tuition and Fees: +\$3.3M above FY21 projected (+1.6%)
  - a) Fall 21: +80 students from Fall 20 reflecting enrollment change of (0.7%) and a proposed Tuition & Fee rate change of 1.94% UG and 3.0% GR
2. FY22 State Appropriation: +\$2.488M (+6.2%) above FY21 actual reflecting the Garden State Guarantee down payment
3. FY22 Federal Programs: -\$2.4M change from FY21 usage includes HEERF II = \$4.87M & HEERF III = \$12.18M
4. Auxiliaries: +\$4.7M above FY21 projected (+33.7%)
  - a) Residence Hall Occupancy – 80% up from 65% in FY21
  - b) Parking & GDS commissions FY21 (+\$1.6M) +103%
5. FY22 ICR, Investments & Other Misc.: - \$3.1M below FY21 projected (-15.6%)
  - a) FY22 Investments = \$2.5M (FY21 = \$6.2M) -\$3.7M
  - b) ICR = +\$0.2M & Events = +\$0.4M
6. Allocated Balances: +\$7.98M above FY21 budget (+80.0%)
  - a) \$5.18M FY21 fund balance
  - b) \$4.87M HEERF II fund balance due to FY21 usage
  - c) \$7.91M – Prior Year POs

## FY22 Annual Budget – Revenues (\$000's)

	FY2020 Year-End Actual	FY2021 Annual Budget	FY21 Year-End Projection	FY2022 Proposed Budget
<b>Revenues</b>				
(1) Tuition & Fees	208,848	202,005	207,095	210,399
(2) State Appropriation	34,384	40,376	40,376	42,864
State Appropriation - Fringe Benefits	57,176	60,451	58,743	61,987
(3) Federal Programs	2,047	19,670	19,473	17,049
(4) Auxiliaries	18,672	13,849	13,850	18,518
(5) ICR, Investments, & Other Misc.	22,204	16,879	19,850	16,754
(6) Allocated Balances	7,210	9,971	-	17,957
NJII Operations	12,481	13,349	13,349	16,000 <sup>(a)</sup>
<b>Total Unrestricted Revenues</b>	<b>363,022</b>	<b>376,550</b>	<b>372,736</b>	<b>401,528</b>
<b>Total Restricted Programs</b>	<b>170,473</b>	<b>170,121</b>	<b>174,011</b>	<b>184,925</b> <sup>(a)</sup>
<b>Grand Total Revenues</b>	<b>533,496</b>	<b>546,671</b>	<b>546,747</b>	<b>586,453</b>

(a) FY21 Year-End Projections for NJII remain equal to the budget at this time. NJII status as of 4/30/21 was \$13.0M unrestricted and \$14.2M restricted (95.4% of approved budget).

Note: In March 2021, Moody's Investor Service recognized NJIT's Revenue Diversity (Maximum Single Contribution) as a continued strength of our financial credit rating. NJIT's largest revenue category (FY20) was student revenues at 47.8%. As a point of comparison, the average across all other NJ senior public institutions is 61% reliance on student revenues.

**BUDGET NOTES:**

**Note: FY21 values are depressed due to COVID-19**

1. Salaries & Wages +\$12.5M (+8.6%) from FY21 Year-End Projected
  - a) \$6.4M restoration of 1-time personnel savings actions in FY21
  - b) \$3.5M estimated FY22 salary program
  - c) \$1.4M faculty recruitment
  - d) \$1.2M staff recruitment (net change) due to deferred / eliminated positions
2. CRR Facilities / IST +1.5M (8.2%) from FY21 Year-End
  - a) \$13.4M NJIT CRR funding - includes \$3.7M Supplemental State project funding
  - b) \$3.5M IST Capital Needs
  - c) \$2.3M will be reserved for fall 21 for pandemic testing & supplies as needed balance to applied to 1/1/22 projects
3. Student Awards +\$2.96M (+7.5%) from FY21 Year-End Projected due to additional need-based awards
4. General Operating +\$5.1M (+7.1%) from FY21 Year-End Projected
  - a) \$2.7M – 2025 Strategic Plan non-personnel
  - b) \$2.4M in prior year POs above FY21 value
5. Establishes a \$2.6M University Reserve

## FY22 Annual Budget – Expenses (\$000's)

		FY2020 Year-End Actual	FY2021 Annual Budget	FY21 Year-End Projection	FY2022 Proposed Budget
<b>Expenses</b>					
Personnel					
(1)	Salaries & Wages	147,959	148,857	145,962	158,463
	Fringe Benefits	65,388	67,118	65,564	67,829
	<b>Subtotal Personnel</b>	<b>213,347</b>	<b>215,975</b>	<b>211,526</b>	<b>226,292</b>
Non-Personnel					
(2)	CRR (Facilities / IST)	20,371	17,777	17,777	19,240
	Debt Service	19,532	18,839	18,839	18,078
(3)	Student Awards	36,535	39,801	39,335	42,299
(4)	General Operating	60,757	67,320	71,910	77,019
(5)	University/Pandemic Reserve		3,489		2,600
	<b>Subtotal Non-Personnel</b>	<b>137,195</b>	<b>147,226</b>	<b>147,861</b>	<b>159,236</b>
	<b>Subtotal NJIT Unrestricted Expenses</b>	<b>350,542</b>	<b>363,201</b>	<b>359,387</b>	<b>385,528</b>
	NJII Unrestricted Expenses	12,481	13,349	13,349	16,000 <sup>(a)</sup>
	<b>Total Unrestricted Expenses</b>	<b>363,023</b>	<b>376,550</b>	<b>372,736</b>	<b>401,528</b>
	<b>Total Restricted Programs</b>	<b>170,473</b>	<b>170,121</b>	<b>174,011</b>	<b>184,925</b> <sup>(a)</sup>
	<b>Grand Total Expenses</b>	<b>533,496</b>	<b>546,671</b>	<b>546,747</b>	<b>586,453</b>
	<b>Budget Surplus / (Shortfall)</b>	-	-	-	-

(a) FY21 Year-End Projections for NJII remain equal to the budget at this time. NJII status as of 4/30/21 was \$13.4M unrestricted and \$14.2M restricted (96.9% of approved budget). NJII's FY22 Unrestricted Operating Expenses include a \$1.0M projected surplus to be transferred to Fund Balance.

## FY22 Budget Priorities – Supporting *NJIT 2025* Building on a Strong Foundation (\$000's)

Priority	FY22 Budget Increases	Budgeted FY2022		
		Personnel	Non- Personnel	Total
☐ Students	Student Support Services - Tutoring & Mental Health	161	19	180
☐ Faculty & Research	Faculty Recruitment (Net Cost)	1,380	90	1,470
☐ Resources / Digital	IT Transformation - Operating & Capital Expenses	1,109	1,774	2,883
☐ Resources / Human	HR Transformation	233	379	612
☐ Resources / Physical	Director of Sustainability	90	-	90
☐ Prominence	Strategic Marketing / Communications	230	487	717
<b>NJIT 2025 - Funding Priority Increases</b>		<b>3,203</b>	<b>2,749</b>	<b>5,952</b>

1) Due to pandemic FY22 represents the first year of investments in NJIT 2025 Strategic Priorities

# Academic Year Enrollment Trends

Fall 2018 – Fall 2021 10<sup>th</sup> day enrollment summary  
Undergraduate, Graduate, Doctoral

	FY19	FY20	FY21	FY22 <sup>(1)</sup>	FY22 / FY21	
	Fall 18	Fall 19	Fall 20	Fall 21	Var.	Var. %
UG	8,627	9,053	9,084	9,031	-53	-0.6%
GR	2,452	2,283	2,066	2,194	128	6.2%
PHD	481	523	502	507	5	1.0%
<b>Total</b>	<b>11,560</b>	<b>11,859</b>	<b>11,652</b>	<b>11,732</b>	<b>80</b>	<b>0.7%</b>

(1) Enrollment projections confirmed by Admissions on May 4, 2021

## FY22 Proposed Tuition and Fee Rates – Per Semester

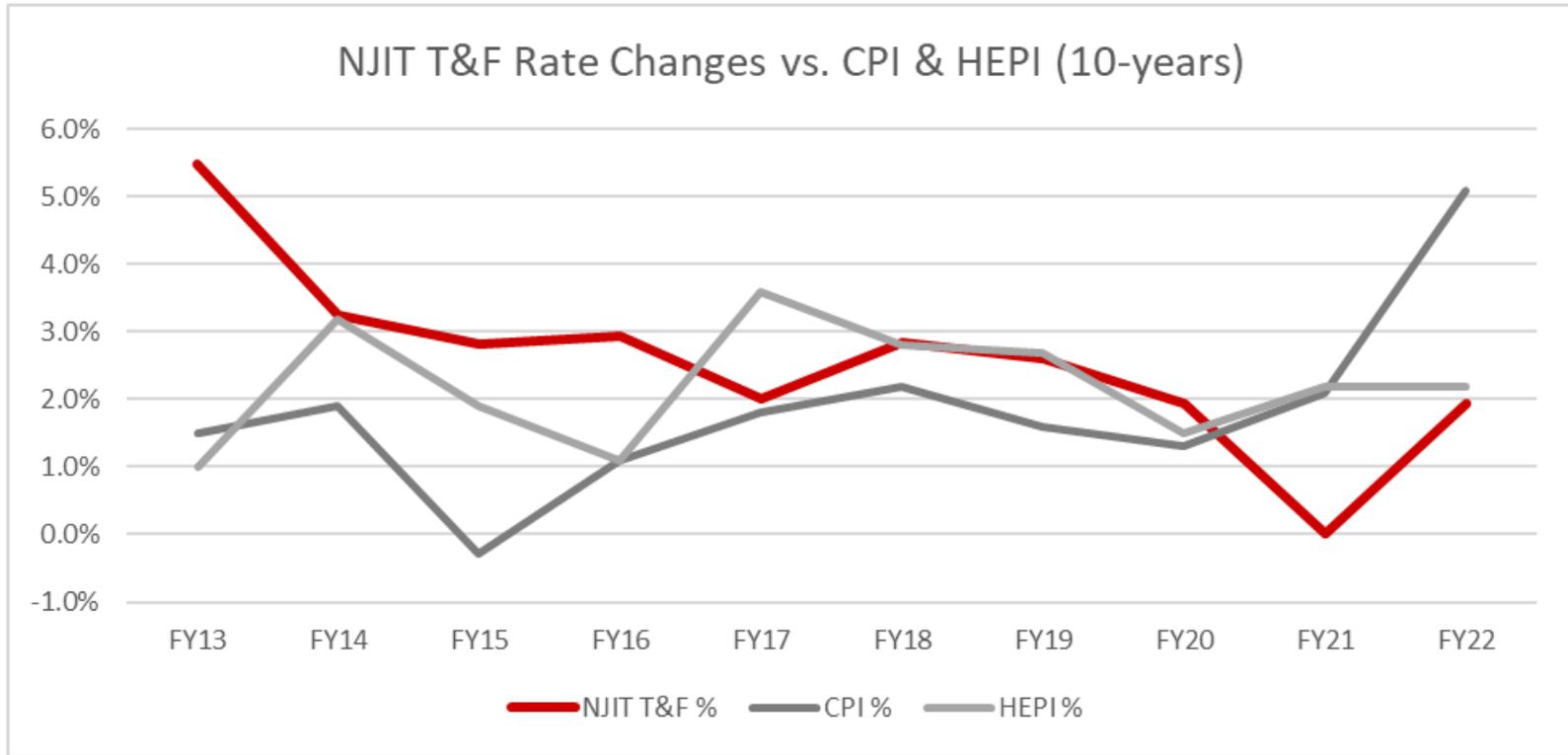
	FY 2021	FY 2022			Proposed Rate Increase
	Approved	Proposed	\$ Δ	% Δ	Total Net \$ Generated
<b>Undergraduate</b>					
<b>In-State</b>					
Full-Time Per Semester Tuition and Fees	8,837	9,008	171	1.94%	1,706,253
Part-Time Per Credit Tuition and Fees	739	753	14	1.94%	197,147
<b>Out-Of-State</b>					
Full-Time Per Semester Tuition and Fees	16,693	17,017	324	1.94%	148,370
Part-Time Per Credit Tuition and Fees	1,479	1,508	29	1.94%	4,023
					<b>2,055,793</b>
<b>Graduate/Doctoral</b>					
<b>In-State</b>					
Full-Time Per Semester Tuition and Fees	11,914	12,273	359	3.0%	102,331
Part-Time Per Credit Tuition and Fees	1,311	1,350	39	3.0%	505,220
<b>Out-Of-State</b>					
Full-Time Per Semester Tuition and Fees	16,872	17,380	508	3.0%	77,574
Part-Time Per Credit Tuition and Fees	1,802	1,856	54	3.0%	395,672
					<b>1,080,798</b>
<b>Special Graduate Programs</b>					
Graduate 100% Online Programs (Tuition Per Credit)	1,050	1,082	32	3.0%	161,851
NJIT @ Jersey City Programs	1,087	1,120	33	3.0%	54,240
<b>Grand Total</b>					<b>3,352,682</b>

# Tuition and Fee Rates - 25 Year History

Fiscal Year	Tuition Full-time In State	Required Fees Full-time In-State	Total Full-time In State			5 Year Average Tuition \$	5 Year Average Tuition %	10 Year Average Tuition \$	10 Year Average Tuition %
	<u>Annual</u>	<u>Annual</u>	<u>Annual</u>	\$ <u>Δ</u>	% <u>Δ</u>	<u>Δ</u>	<u>Δ</u>	<u>Δ</u>	<u>Δ</u>
1997	4,638	848	5,486	266	5.1%	302	5.2%		
1998	4,958	864	5,822	336	6.1%				
1999	5,250	964	6,214	392	6.7%				
2000	5,508	972	6,480	266	4.3%				
2001	5,758	972	6,730	250	3.9%				
2002	6,158	1,042	7,200	470	7.0%	618	7.9%	664	7.13%
2003	6,758	1,148	7,906	706	9.8%				
2004	7,332	1,168	8,500	594	7.5%				
2005	7,918	1,262	9,180	680	8.0%				
2006	8,472	1,350	9,822	642	7.0%				
2007	9,066	1,440	10,506	684	7.0%	710	6.4%		
2008	9,700	1,650	11,350	844	8.0%				
2009	10,500	1,982	12,482	1,132	10.0%				
2010	10,816	2,040	12,856	374	3.0%				
2011	11,248	2,122	13,370	514	4.0%				
2012	11,756	2,218	13,974	604	4.5%	548	3.8%	430	2.84%
2013	12,400	2,340	14,740	766	5.5%				
2014	12,800	2,418	15,218	478	3.2%				
2015	13,120	2,528	15,648	430	2.8%				
2016	13,434	2,674	16,108	460	2.9%				
2017	13,602	2,828	16,430	322	2.0%	313	1.9%		
2018	13,906	2,992	16,898	468	2.85%				
2019	14,174	3,164	17,338	440	2.60%				
2020	14,448	3,226	17,674	336	1.94%				
2021	14,448	3,226	17,674	-	0.00%				
2022*	14,790	3,226	18,016	342	1.94%				

\* FY2022 Represents Proposed Rates

# Tuition and Fee Rate Changes - 10 Year Trends vs. CPI & HEPI



**5-yr Averages**  
 NJIT 3.3% // CPI 1.2% // HEPI 2.2%

**5-yr Averages**  
 NJIT 1.9% // CPI 2.5% // HEPI 2.3%

**Note:** CPI = Consumer Price Index (Northeast Urban region) as of 5/31/21  
 HEPI = Commonfund Higher Education Price Index as of 3/31/21

## FY22 Capital Renewal & Replacement (CRR) Budget (\$000's)

Project Type	FY22	7/1/2021	1/1/2022 <sup>(1)</sup>
<b>Annual Maintenance Projects</b>			
<b>Subtotal Annual Maintenance</b>	<b>7,443,438</b>	<b>7,443,438</b>	<b>-</b>
<b>FY21 Deferred Projects</b>			
Collaborative Learning Spaces	\$ 500,000	\$ 500,000	
Tiernan 407 Physics Lab	\$ 1,400,000	\$ 1,400,000	
Lab Renovations	\$ 2,000,000	\$ 2,000,000	
Faculty Memorial Hall 2nd Floor Classroom Upgrades	\$ 664,318	\$ 664,318	
MEC 224 Lecture Hall	\$ 450,959	\$ 300,000	\$ 150,959
Teaching Laboratory Upgrades	\$ 836,000	\$ 836,000	
Smart Card Reader Replacement Phase 2	\$ 300,000	\$ 300,000	
<b>Subtotal Deferred Projects</b>	<b>\$ 6,151,277</b>	<b>\$ 6,000,318</b>	<b>\$ 150,959</b>
<b>TOTAL Annual Maintenance + Deferred</b>	<b>\$ 13,594,715</b>	<b>\$ 13,443,756</b>	<b>\$ 150,959</b>
Relocation of School of Applied Engineering Technology to Fenster Hall	\$ 2,096,589	\$ -	\$ 2,096,589
Additional Priority Projects	\$ 58,696	\$ -	\$ 58,696
<b>FY22 Facilities CRR Budget</b>	<b>\$ 15,750,000</b>	<b>\$ 13,443,756</b>	<b>\$ 2,306,244</b>
<b>FY22 IST CRR Budget</b>	<b>\$ 3,490,550</b>	<b>\$ 3,490,550</b>	
<b>FY22 Grand Total CRR Budget</b>	<b>\$ 19,240,550</b>	<b>\$ 16,934,306</b>	

**Approximate % of Total Budget:**

Academic	60%
Academic Support	15%
Infrastructure	25%

(1) CRR funding for projects scheduled to begin 1/1/22 will be reduced by the value of any required pandemic testing or supply-related expenses up to the value of the \$2.3M.