

New Jersey Institute of Technology

FY2022 Proposed Operating & Capital Budgets

Public Hearing Presentation

July 14, 2021



New Jersey Institute of Technology

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
Revenues				
(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 ^(a)
Total Unrestricted Revenues	363,022	376,550	372,736	401,528
Total Restricted Programs	170,473	170,121	174,011	184,925 ^(a)
Grand Total Revenues	533,496	546,671	546,747	586,453

(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
Expenses					
Personnel					
(1)	Salaries & Wages	147,959	148,857	145,962	158,463
	Fringe Benefits	65,388	67,118	65,564	67,829
	Subtotal Personnel	213,347	215,975	211,526	226,292
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
	Subtotal Non-Personnel	137,195	147,226	147,861	159,236
	Subtotal NJIT Unrestricted Expenses	350,542	363,201	359,387	385,528
	NJII Unrestricted Expenses	12,481	13,349	13,349	16,000 ^(a)
	Total Unrestricted Expenses	363,023	376,550	372,736	401,528
	Total Restricted Programs	170,473	170,121	174,011	184,925 ^(a)
	Grand Total Expenses	533,496	546,671	546,747	586,453
	Budget Surplus / (Shortfall)	-	-	-	-

(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
NJIT 2025 - Funding Priority Increases		3,203	2,749	5,952

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

Academic Year Enrollment and Tuition and Fee Trends

Fall 2018 – Fall 2021 10th day enrollment summary
Undergraduate, Graduate, Doctoral

	FY19	FY20	FY21	FY22 ⁽¹⁾	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%
Total	11,560	11,859	11,652	11,732	80	0.7%

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

FY22 Proposed Tuition and Fee Rates

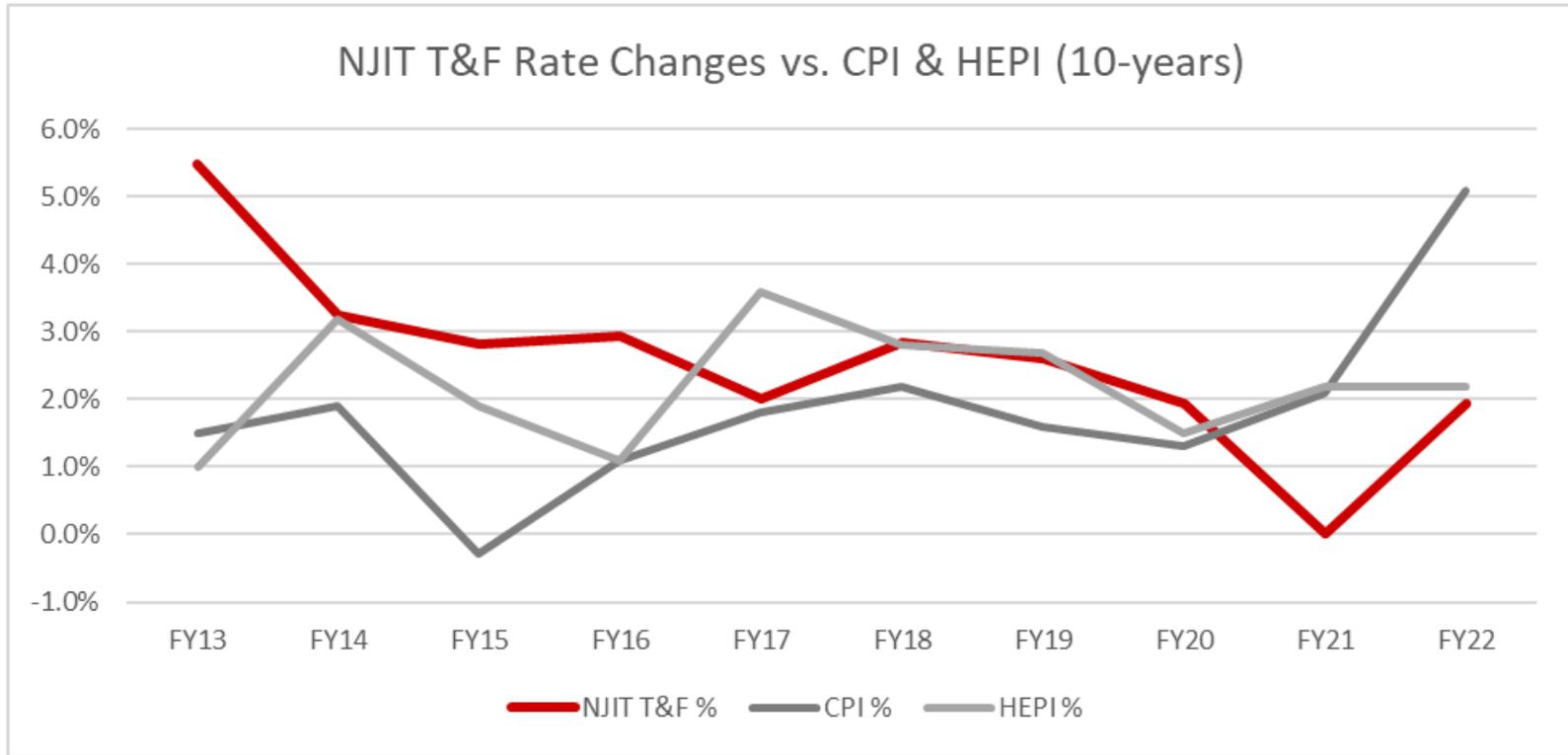
	FY 2021	FY 2022			Proposed Rate Increase
	Approved	Proposed	\$ Δ	% Δ	Total Net \$ Generated
<u>Undergraduate</u>					
In-State					
Full-Time Per Semester Tuition and Fees	8,837	9,008	171	1.94%	1,706,253
Part-Time Per Credit Tuition and Fees	739	753	14	1.94%	197,147
Out-Of-State					
Full-Time Per Semester 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
					2,055,793
<u>Graduate/Doctoral</u>					
In-State					
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
Out-Of-State					
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
					1,080,798
<u>Special Graduate Programs</u>					
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
Grand Total					3,352,682

Tuition and Fee Rate - 25 Year History

Fiscal Year	Tuition Full-time In State Annual	Required Fees Full-time In-State Annual	Total Full-time In State Annual			5 Year Average Tuition \$	5 Year Average Tuition %	10 Year Average Tuition \$	10 Year Average Tuition %		
				\$ Δ	% Δ	Δ	Δ	Δ	Δ		
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 ⁽¹⁾
Annual Maintenance Projects			
Subtotal Annual Maintenance	7,443,438	7,443,438	-
FY21 Deferred Projects			
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	
Subtotal Deferred Projects	\$ 6,151,277	\$ 6,000,318	\$ 150,959
TOTAL Annual Maintenance + Deferred	\$ 13,594,715	\$ 13,443,756	\$ 150,959
Relocation of School of Applied Engineering Technology to Fenster Hall	\$ 2,096,589	\$ -	\$ 2,096,589
Additional Priority Projects	\$ 58,696	\$ -	\$ 58,696
FY22 Facilities CRR Budget	\$ 15,750,000	\$ 13,443,756	\$ 2,306,244
FY22 IST CRR Budget	\$ 3,490,550	\$ 3,490,550	
FY22 Grand Total CRR Budget	\$ 19,240,550	\$ 16,934,306	

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.