



## **University Budget Committee Minutes**

**March 1, 2018**

**2:00 – 3:00 PM**

**UH 004**

### **1. FY18 Current Status**

The FY18 general fund budget that was approved by the BOR in September 2017 included \$148,321,407 in expenses (about 80 percent of that personnel). Projected revenue to pay for those expenses included state support of \$59,150,955, \$85,211,096 in tuition, \$3,459,356 as One-Time-Only support, and \$500,000 in special appropriations. At the March 2018 Board of Regents meeting next week, updated figures for FY18 will be presented. Tuition revenue for Summer 2017 was down \$195,954, for Fall 2017 it was up \$926,804, and for Spring 2018 so far it is down \$754,473. The Spring 2018 number will likely change a little as students pay their bills, but tuition revenues will likely make the projected number.

FY18 changes to date include: a decrease in the state appropriation and millage, search costs, lecturer retention costs, and reduced workers comp premiums.

### **2. FY19 Projected Budget**

Allocations for general funds have already been given out, which gives units time to plan. Factors affecting the FY19 budget include:

- FY18 structural deficit of \$3.5 million
- Decrease in appropriations/millage/performance funding
- Waiver increase: grad TAs, Title IX compliance, undergrad
- Present Law: utilities, IT costs, library
- Personnel: CBA requirements, retaining lecturers, negotiations
- Admissions funding: restore to previous level
- Decreased tuition revenue due to student FTE decrease (project 325 FTE decrease from FY18 to FY19)

Result: \$10 million challenge

How to balance FY19: VERIP savings (\$1.8 million), VSO savings (\$2 million), One-Time-Only (interest earning accounts, delay expenditures, miscellaneous fee revenues)

### **3. 4-Year Outlook**

UM has never had a 4-year model before, so this is new. Key components: maintain state funding (millage and appropriations), improve performance funding, increase enrollment, increase retention, decrease expenses

#### **4. Enrollment Strategies**

UM is reaching out to HS students starting in the 9<sup>th</sup> grade now. Contracting with Fire Engine Red for sophomore and junior searches. Interest in UM is up. WUE has increased 8 percent. UM will be using the Common Application for out of state students, launching July 15 – this makes it easier for students to apply. Recruitment counselors are traveling all over the United States. We're working with a marketing firm, and WUE standards have changed.