

### **Purpose of Forecast**

The purpose of this forecast is to update the Finance Committee, members of the Board of Trustees, and the university community on the status of the operating budget. The forecast reflects the most current information available as of May 17, 2021.

### **Actual and Adopted Budget Variance - Revenues and Expenses (see attached table)**

#### **Tuition, Scholarships, and Fees**

Forecasts for spring and summer tuition revenue are below budget. Summer tuition includes a pro rata forecast for classes taking place before the end of May within the upcoming summer sessions. Actual enrollments and tuition are above budget for the fall and intersession sessions, as well as for other tuition activity. Additionally, fees are forecasted to be above budget. Tuition waivers and exceptions are forecasted to be below budget. Including anticipated additional swap-outs of unfunded (i.e., operating) scholarships to restricted sources, the scholarships category is forecasted to be substantially below budget. A contributing factor to the scholarship forecast is the greater attrition of high-award students from fall to spring.

#### **Additional Revenues**

Grants and contracts, investment returns, and food service are forecasted to be slightly above budget. Gifts and contributions, auxiliary revenue, and other revenue are forecasted to be below budget.

#### **Compensation**

With the reversal of previously-planned fiscal year 2021 salary reduction programs in light of additional federal stimulus support and greater-than-expected discipline around non-compensation expenditures, forecasted full-time faculty and full-time staff compensation expenditures are above budget. Conversely, forecasted expenditures for part-time faculty, other staff, and student staff are below budget. Fringe benefits expenditures are forecasted to be over budget. Accordingly, total compensation — i.e., total faculty salaries and total staff salaries, as well as their associated benefits — is forecasted to be over budget.

#### **Non-Compensation Expenses**

General operating, facilities, capital are forecasted to be substantially under budget. Debt service expenditures are forecasted to be at budget. Insurance and bad debt/loan expenses are forecasted to be over budget, as are those expenses for food service. The other transfers in line includes a shortfall, as support for the School of Law from its restricted resources is no longer needed due to its operating performance in the current fiscal year. Additionally, support from the liquidation of quasi-endowment is no longer needed due to the receipt of federal stimulus.

#### **Year-End Forecast**

At the close of the eleventh period of the fiscal year, management forecasts a balance of operating revenues and expenses. The forecast includes reserves for legal and other contingencies, as well as a repayment to the university's internal bank for capital projects undertaken in recent years — but not deemed to be candidates for donor or other external support.

## Fiscal Year 2021 Operating Forecast

(in thousands of dollars)

	FY20 Year End Actual	Fiscal Year 2021 Unrestricted Operating Budget					Variance Notes
		Adopted Budget	Year to Date April Actual	Year End Forecast	Forecast less Budget	Forecast Variance % Budget	
<b>Revenue</b>							
Summer Tuition	\$28,058	\$30,842	\$31,435	\$29,909	(\$933)	-3.0%	includes proration for summer 2021 enrollments
Fall Tuition	\$208,887	\$198,257	\$198,539	\$198,543	\$285	0.1%	actual year-to-date revenue
Intersession Tuition	\$2,759	\$2,622	\$3,107	\$3,107	\$485	18.5%	actual year-to-date revenue
Spring Tuition	\$196,005	\$186,158	\$185,300	\$185,532	(\$625)	-0.3%	based on year-to-date to year-end revenue pattern
Other Tuition	\$76	\$121	\$184	\$176	\$55	45.6%	based on year-to-date to year-end revenue pattern
Tuition Waivers & Exceptions	(\$2,709)	(\$3,274)	(\$1,738)	(\$2,207)	\$1,067	-32.6%	includes estimate for final spring tuition exceptions
<b>Total Tuition</b>	<b>\$433,077</b>	<b>\$414,725</b>	<b>\$416,827</b>	<b>\$415,060</b>	<b>\$335</b>	<b>0.1%</b>	
Scholarships	(\$123,916)	(\$120,764)	(\$116,607)	(\$115,445)	\$5,319	-4.4%	actual year-to-date revenue with anticipated swap-
<b>Tuition Net Scholarships</b>	<b>\$309,161</b>	<b>\$293,961</b>	<b>\$300,220</b>	<b>\$299,615</b>	<b>\$5,654</b>	<b>1.9%</b>	outs to restricted (i.e., funded) scholarships
Fees	\$3,256	\$2,212	\$2,391	\$2,537	\$325	14.7%	actual year-to-date revenue
Grants & Contracts	\$97	\$28	\$51	\$51	\$23	83.5%	actual year-to-date revenue
Gifts & Contributions	\$1,140	\$1,503	\$1,093	\$1,110	(\$392)	-26.1%	based on year-to-date to year-end revenue pattern
Investment Returns	\$1,977	\$1,139	\$1,578	\$1,578	\$439	38.5%	actual year-to-date revenue
Federal Stimulus Funds*	\$3,647	\$0	\$0	\$0	\$0	NA	CARES Act
Auxiliary Revenue	\$24,456	\$4,645	\$3,913	\$3,989	(\$656)	-14.1%	actual year-to-date revenue
Food Service Revenue	\$6,558	\$1,040	\$1,081	\$1,119	\$79	7.6%	actual year-to-date revenue
Other Revenue	\$2,029	\$555	\$510	\$511	(\$44)	-8.0%	actual year-to-date revenue
<b>Total Revenue</b>	<b>\$352,321</b>	<b>\$305,083</b>	<b>\$310,837</b>	<b>\$310,510</b>	<b>\$5,427</b>	<b>1.8%</b>	
<b>Expenses</b>							
Salary & Benefits							
Full-time Faculty	\$61,979	\$56,076	\$51,269	\$60,261	\$4,185	7.5%	based on year-to-date to year-end expense pattern
Part-time Faculty	\$21,546	\$21,447	\$18,876	\$20,709	(\$738)	-3.4%	based on year-to-date to year-end expense pattern
<b>Total Faculty</b>	<b>\$83,525</b>	<b>\$77,523</b>	<b>\$70,145</b>	<b>\$80,970</b>	<b>\$3,447</b>	<b>4.4%</b>	
Full-time Staff	\$80,097	\$75,195	\$71,120	\$77,090	\$1,895	2.5%	based on year-to-date to year-end expense pattern
Other Staff	\$3,080	\$2,975	\$2,389	\$2,607	(\$368)	-12.4%	based on year-to-date to year-end expense pattern
Student Staff	\$6,973	\$3,578	\$3,152	\$3,305	(\$273)	-7.6%	based on year-to-date to year-end expense pattern
<b>Total Staff</b>	<b>\$90,150</b>	<b>\$81,748</b>	<b>\$76,661</b>	<b>\$83,001</b>	<b>\$1,254</b>	<b>1.5%</b>	
Benefits	\$59,907	\$55,566	\$51,025	\$57,541	\$1,976	3.6%	reflects fringe rates of salary variances
<b>Total Compensation</b>	<b>\$233,583</b>	<b>\$214,837</b>	<b>\$197,831</b>	<b>\$221,513</b>	<b>\$6,676</b>	<b>3.1%</b>	
Gen Operating/Facilities/Capital	\$80,967	\$65,791	\$44,677	\$60,491	(\$5,300)	-8.1%	management current fiscal year forecast
Food Service	\$6,744	\$2,040	\$1,841	\$2,119	\$79	3.9%	based upon revenue actual plus fixed cost surcharge
Ins/Coll/Bad Debt/Loans	\$3,191	\$3,625	\$2,224	\$4,025	\$400	11.0%	management current fiscal year forecast
Debt Service	\$16,489	\$16,427	\$4,772	\$16,427	\$0	0.0%	adopted budget
Reserves	\$0	\$4,683	\$0	\$8,000	\$3,317	70.8%	reservation for legal and other contingencies
Internal Bank Repayments	\$11,797	\$0	\$0	\$4,990	\$4,990	NA	management current fiscal year forecast
Federal Stimulus Funds*	\$0	\$0	(\$7,054)	(\$7,054)	(\$7,054)	NA	actual year-to-date activity
Other Transfers	(\$450)	(\$2,319)	(\$2,000)	\$0	\$2,319	-100.0%	reflects reversal of liquidated quasi-endowment
<b>Total Non-Compensation</b>	<b>\$118,739</b>	<b>\$90,246</b>	<b>\$44,461</b>	<b>\$88,997</b>	<b>(\$1,249)</b>	<b>-1.4%</b>	
<b>Total Expenses</b>	<b>\$352,321</b>	<b>\$305,083</b>	<b>\$242,292</b>	<b>\$310,510</b>	<b>\$5,427</b>	<b>1.8%</b>	
<b>Operating Surplus/(Deficit)</b>	<b>\$0</b>	<b>(\$0)</b>	<b>\$68,546</b>	<b>\$0</b>	<b>\$0</b>	<b>NA</b>	

Source notes:

The Adopted Budget is the budget that was drafted in March 2020 along with management's subsequent category savings in June 2020 and COVID-19 savings as of October 12, 2020.

Activity as of May 17, 2021; 11 of 12 of the fiscal year's periods have passed.

\*In FY20, the University received \$7,294,888 in emergency funds with \$3,646,944 earmarked to go directly to students and \$3,646,944 provided to the University to compensate for the refunding of student room and board.

Office of Planning and Budget (OPB)

Center for Institutional Planning and Effectiveness (CIPE)

6/7/2021