

TUITION RECOMMENDATION COMMITTEE | 1.28.2022



University Budget

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Questions from last week?

Presentation Outline



1. **University Budget Types**
2. **FY22 Board Adopted Budget**
3. **FY22 Management Report**
4. **Major Components of the FY22 E&G Budget**
5. **Public University Support Fund**
6. **State Appropriations – Historical Lookback**
7. **Tuition Historical Lookback**
8. **PERS – Historical Lookback and Projection**
9. **Oregon Tech Employee Health Insurance Expense Historical Lookback**
10. **General Fund Balance**

University Budget Types



- General Fund Budget: This is the primary university budget known as the operating budget. This is the budget that is approved by the Board of Trustees. It is also referred to as the E&G (Education & General) budget.
- Special General Funds: This is part of the General Fund and is revenue or fee funded areas such as matriculation fee funds, testing, peer consulting, etc.
- Auxiliary Services: Considered “self-support”. These are revenue or fee funded areas such as campus housing, parking permits, incidental fees, student recreation fee, student health fee, athletics, etc.

FY 2021-22 Oregon Tech General Fund Budget

Revenues (Educ & Gen + Certain Spec. Gen Funds*)		Budget
State Allocations		\$32,215,454
Tuition and Fees		35,852,497
Other Revenue		<u>827,627</u>
Total Revenue		<u>\$68,895,577</u>
Expenditures		<u>\$68,992,094</u>
Salary Recapture		<u>(2,500,000)</u>
Net Remaining Revenue		\$2,403,483
Special General Fund		
Revenues		\$1,908,372
Expenditures		<u>1,908,372</u>
Subtotal		\$0
Ongoing Strategic Investments		
DICE Director		\$192,399
Portland Metro Advisor		80,059
Portland Metro Grants Business Manager		89,649
CEET Facilities Costs		272,757
Contingency		<u>419,441</u>
Subtotal		\$1,054,305
Salary and OPE Pools		
Classified SEIU		\$460,188
Unclassified Admin		270,914
AAUP Faculty and Chairs		<u>513,603</u>
Subtotal		\$1,244,705
FY 2022 Strategic Investments		
Facilities Master Plan		<u>\$100,000</u>
Subtotal		\$100,000
Total Net		
Net		<u>\$4,473</u>

* Online Education, Boeing, ACP, SPGA, etc. treated as General Fund operations



General Fund Monthly Report

FY 2022 December (in thousands)



Acct	YTD Comparison		FY 2022 Budget & Forecast				
	FY 2021 December Actuals	FY 2022 December Actuals	FY 2021 Year End Actuals	FY 2022 Board Adopted Budget	FY 2022 Adjusted Budget	FY 2022 Forecast	Forecast to Budget Variance
State Allocations	\$19,256	\$24,631	\$32,117	\$32,215	\$32,215	\$37,407	\$5,192
Tuition & Fees	27,686	26,793	39,575	41,882	41,882	37,412	(4,470)
Remissions	(3,296)	(3,620)	(5,296)	(6,039)	(6,039)	(5,238)	802
Other	1,496	917	2,699	2,746	2,746	1,970	(775)
Total Revenue	\$45,142	\$48,721	\$69,094	\$70,804	\$70,804	\$71,552	\$748
Administrative Staff Salary	3,032	3,977	6,776	9,046	9,214	9,115	69
Faculty Salary	4,993	4,925	13,122	13,104	13,104	12,214	(890)
Adjunct and Admin/Faculty Other Pay	2,060	1,654	4,797	3,945	3,945	4,759	813
Classified	2,598	2,819	5,481	6,270	6,327	6,147	(123)
Student	268	308	656	980	980	980	-
GTA	23	31	68	121	121	121	-
OPE	7,509	8,212	16,756	18,260	18,408	17,334	(926)
Total Labor Expense	\$20,484	\$21,925	\$47,656	\$51,727	\$52,101	\$50,671	(\$1,056)
Service & Supplies	7,356	6,693	11,887	17,483	15,641	13,323	(4,160)
Internal Sales	(1,060)	(649)	(1,267)	(1,317)	(1,317)	(1,283)	34
Debt Service	491	117	2,212	1,219	1,301	300	(919)
Capital	24	632	717	253	253	350	97
Utilities	425	718	1,285	-	1,353	1,953	1,953
Transfers In	(1)	(32)	(57)	-	-	(32)	(32)
Transfers Out	687	-	4,849	1,433	1,433	6,933	5,500
Total Direct Expense	\$7,922	\$7,479	\$19,626	\$19,072	\$18,665	\$21,545	\$2,472
Total All Expense	\$28,406	\$29,404	\$67,282	\$70,799	\$70,766	\$72,215	\$1,416
Net From Operations	\$16,736	\$19,317	\$1,813	\$4	\$38	\$(664)	\$(668)
Fund Additions/(Deductions)	-	-	(170)				
Change in Fund Balance	\$16,736	\$19,317	\$1,642	\$4	\$38	\$(664)	\$(702)
Beginning Fund Balance	13,593	15,235	13,593	15,235	15,235	15,235	
Ending Fund Balance	\$30,328	\$34,552	\$15,235	\$15,239	\$15,273	\$14,571	\$(668)

Note: \$5.5M Applied Computing and Rural Health Initiatives is a one-time state allocation that will be transferred out to a different fund by year-end to fund initiatives in subsequent fiscal years.

Major Components of the E&G Budget



Revenues:

- State Appropriations (45% of total revenue budget)
 - Impacted by:
 - Student Success and Completion Model (SSCM)
 - State tax revenue
- Tuition, net of remissions (51% of total revenue budget)
 - Impacted by:
 - Enrollment
 - Higher Education Coordinating Commission (HECC) Oversight
- Other (4% of total revenue budget)

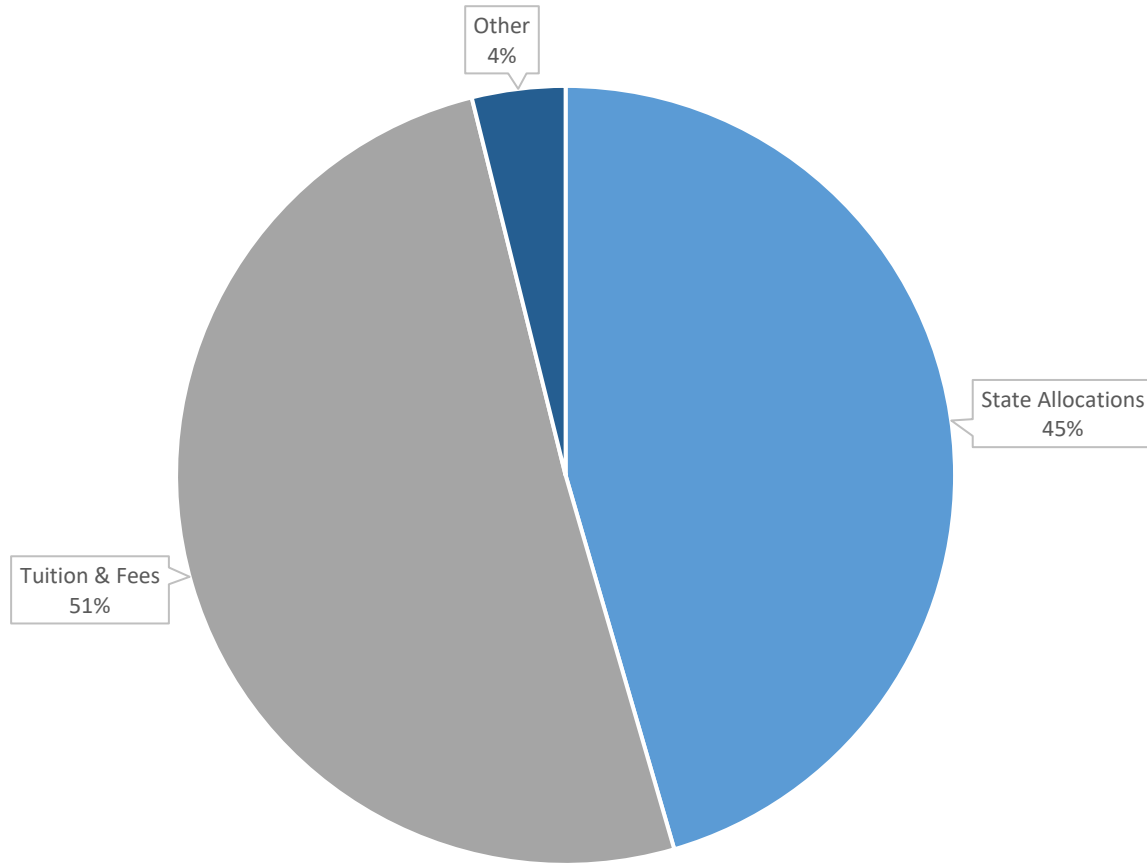
Expenses:

- Staff and Faculty (45.7% of total expense budget)
- Other Payroll Expenses (25.8% of total expense budget)
 - Retirement
 - Healthcare
 - Other OPE
- Services and Supplies -- Includes things like debt service, utilities, office supplies (24.6% of total expense budget)
- Transfers Out (2% of total expense budget)
- Student Employees & GTA (1.6% of total expense budget)
- Capital (.40% of total expense budget)

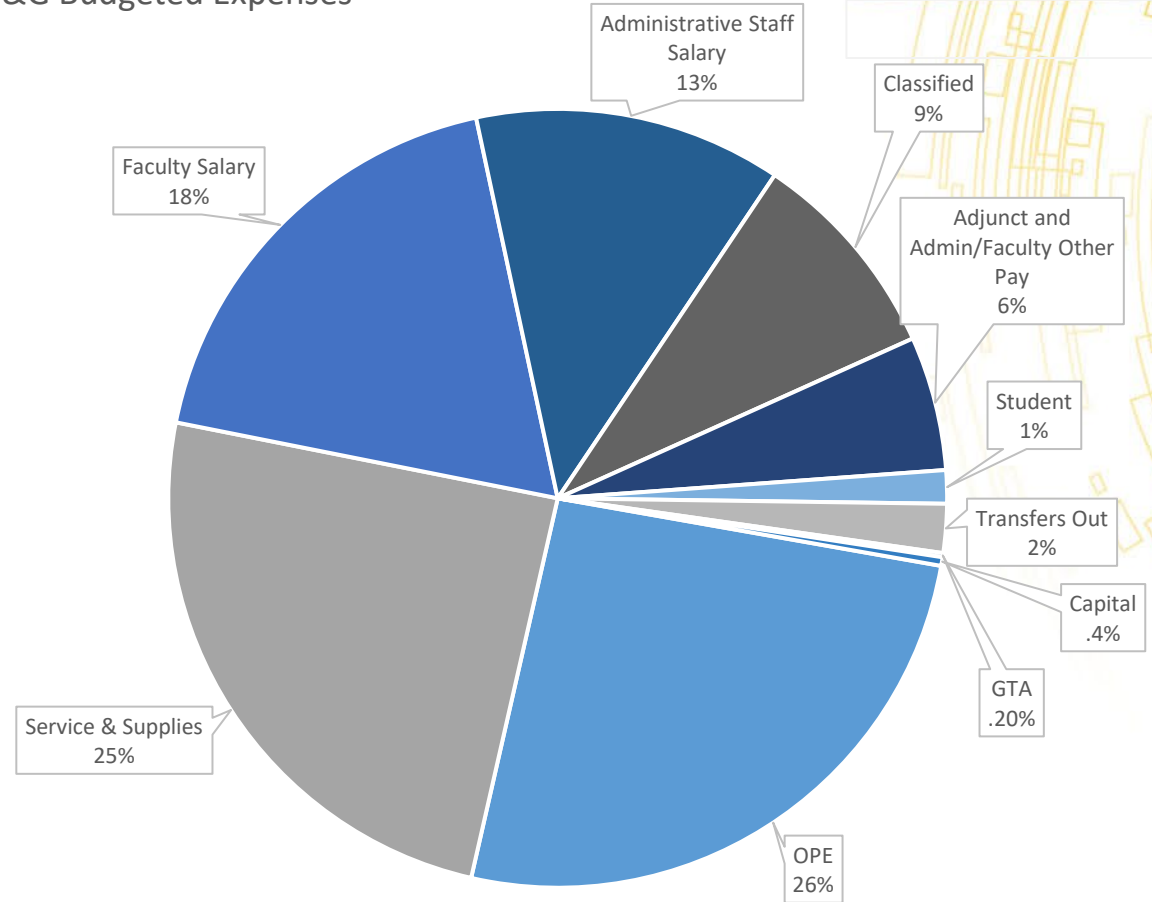
Major Components of FY22 E&G Budget



E&G Budgeted Revenues



E&G Budgeted Expenses



Major Components of the E&G Budget – Supplies and Services by Program Code

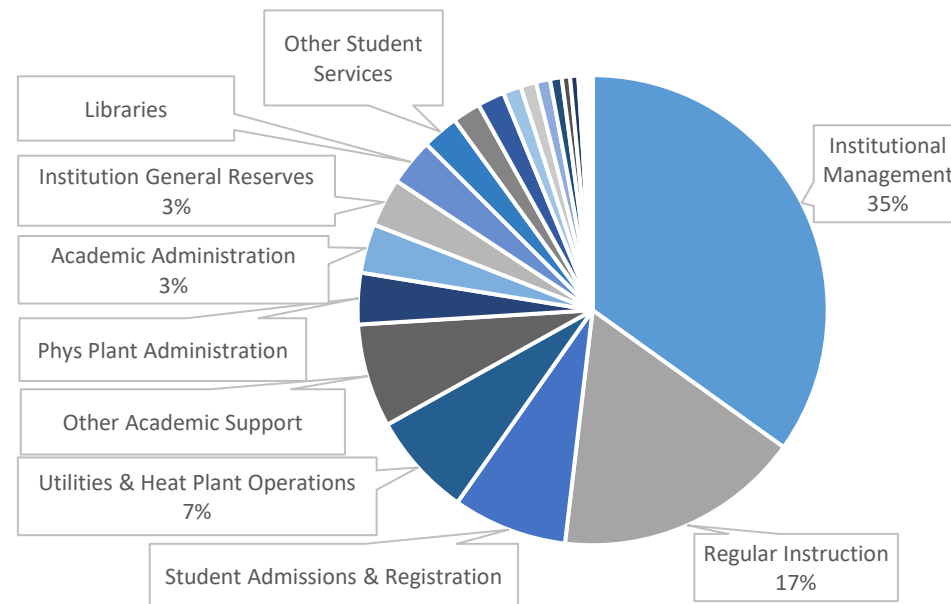


1. Institutional Support (35%)
2. Regular Instruction (17%)
3. Student Admissions & Registration (8%)
4. Utilities & Heat Plant Operations (8%)
5. Other Academic Support (8%)



1. Information Technology Services (51%)
2. Risk Management Insurance (15%)
3. University Shared Services Enterprise Contracts (8%)

FY22 Supplies and Services Budget by Program Code



Public University Support Fund

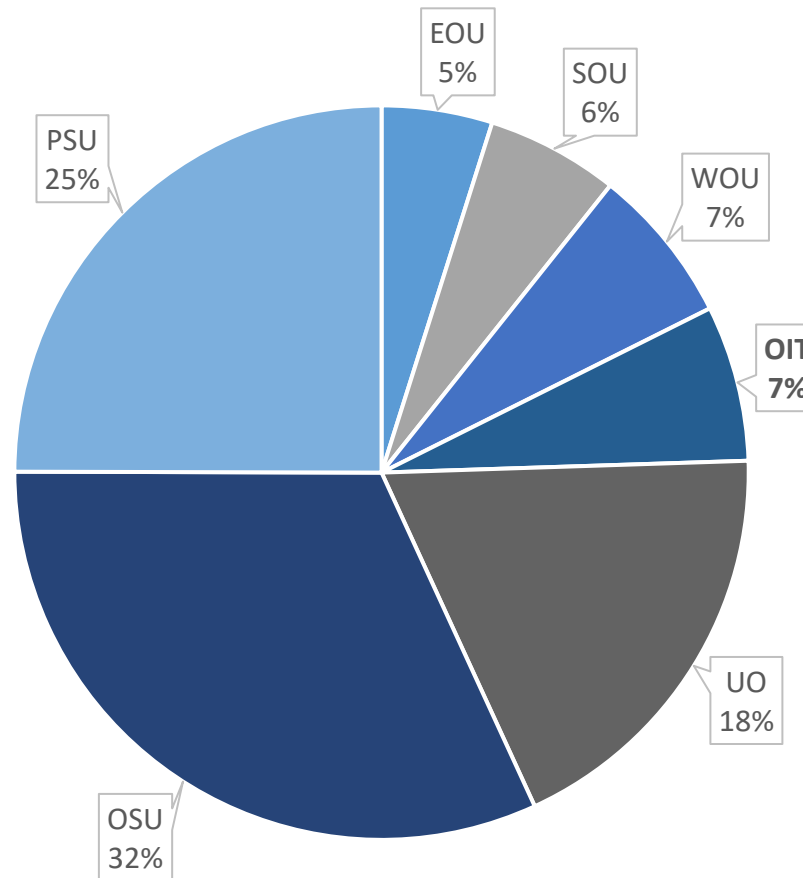


- The Oregon State Legislature funds the Public University Support Fund (PUSF) which is split between all seven public universities in Oregon.
- The PUSF splits funding through a funding formula called the Student Success and Completion Model (SSCM). The funding model is composed of three categories:
 - Mission Differentiation Funding – supports the unique regional, research and public service missions and activities of each university.
 - Activity-Based Funding – distributes resources based on student credit hour (SCH) completions of Oregon resident students at undergraduate and graduate levels.
 - Outcomes-Based Funding – rewards degree and certificate completions by Oregon resident students. Completions by underrepresented students (underrepresented minority, low-income, rural and veteran status) and those in academic disciplines in high-demand and high-reward fields (STEM, Health, Bilingual Education) are provided additional weighting in the allocation formula.

Public University Support Fund FY22 Distribution

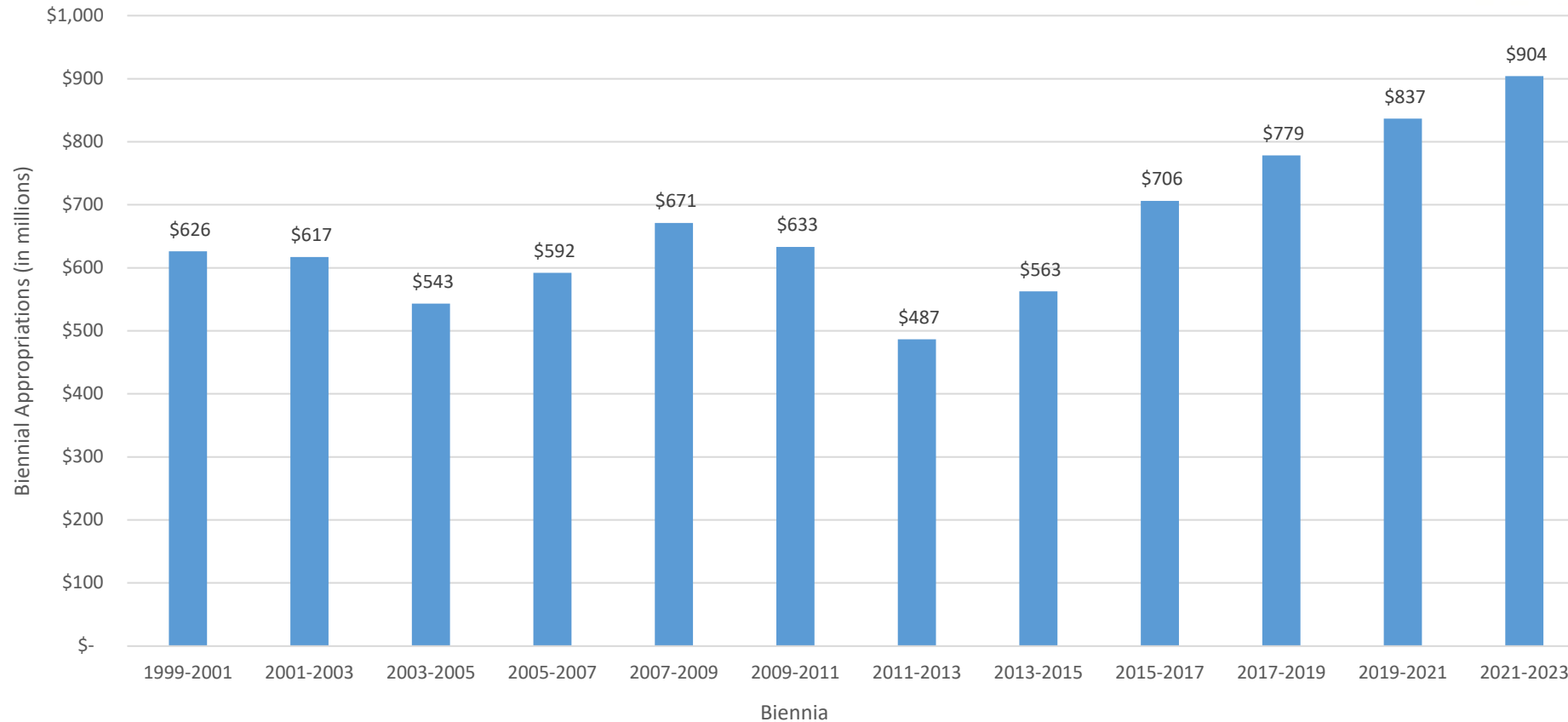


FY22 Distribution of PUSF Funding





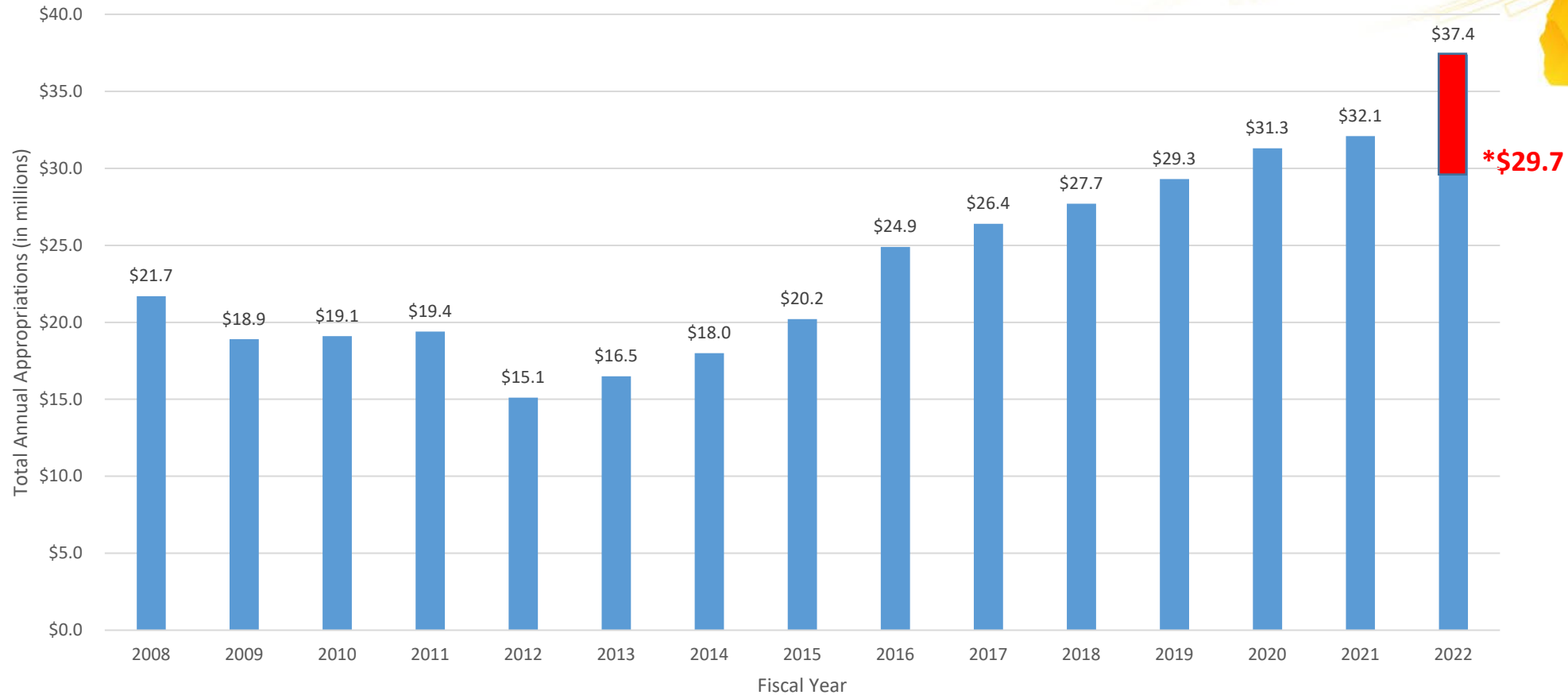
Total Historical State Appropriations (in millions)



- Some uncertainty exists with state appropriations, as they have fluctuated over time.
- Although overall state appropriations for higher education have increased steadily, Oregon Tech experienced a significant decline in funding in the current biennium.



Total Oregon Tech State Appropriations (in millions)



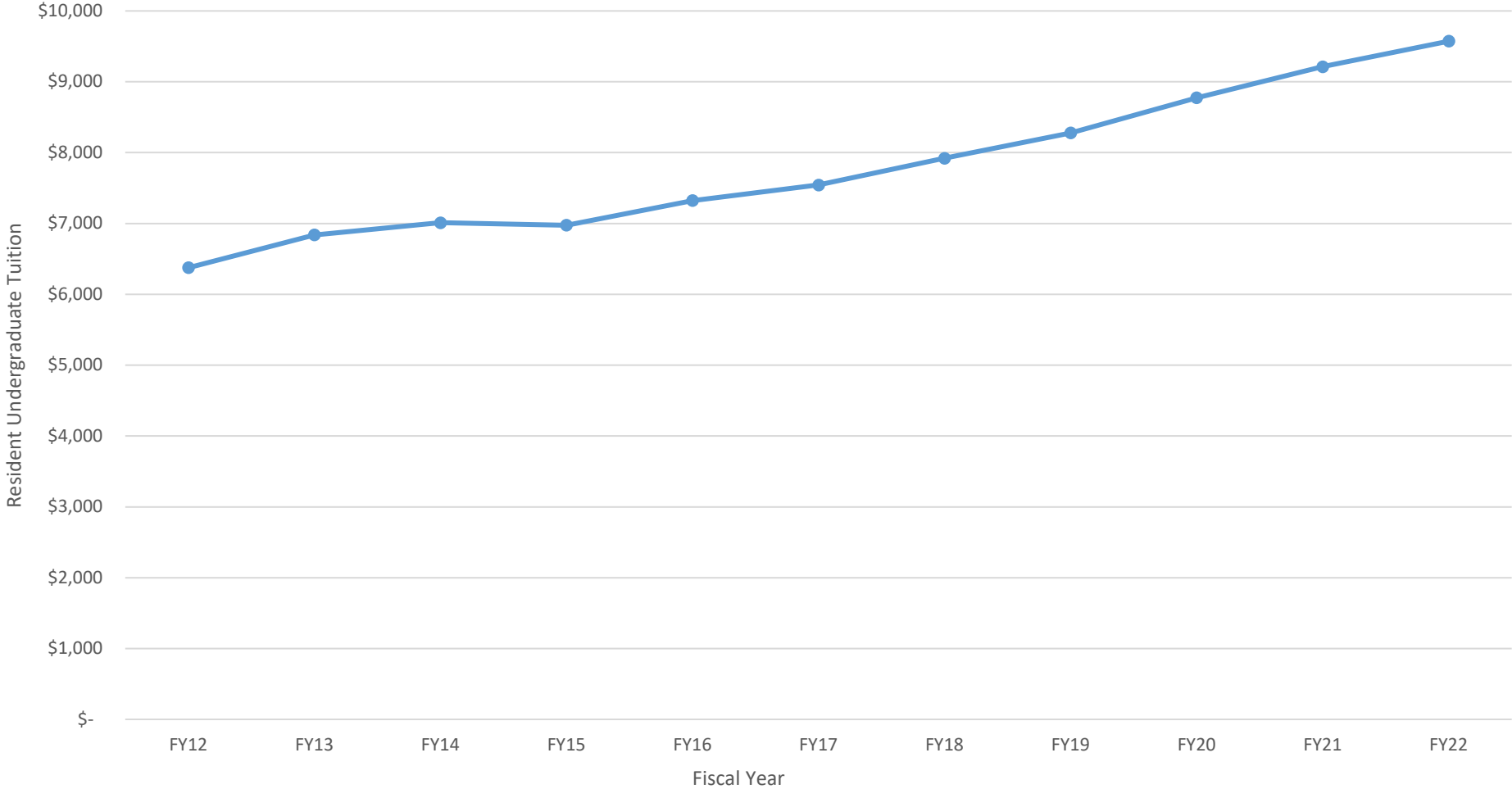
***Note:** 2022 Oregon Tech appropriation figure includes:

-\$5.5M One-time Applied Computing and Rural Health Initiatives funding.

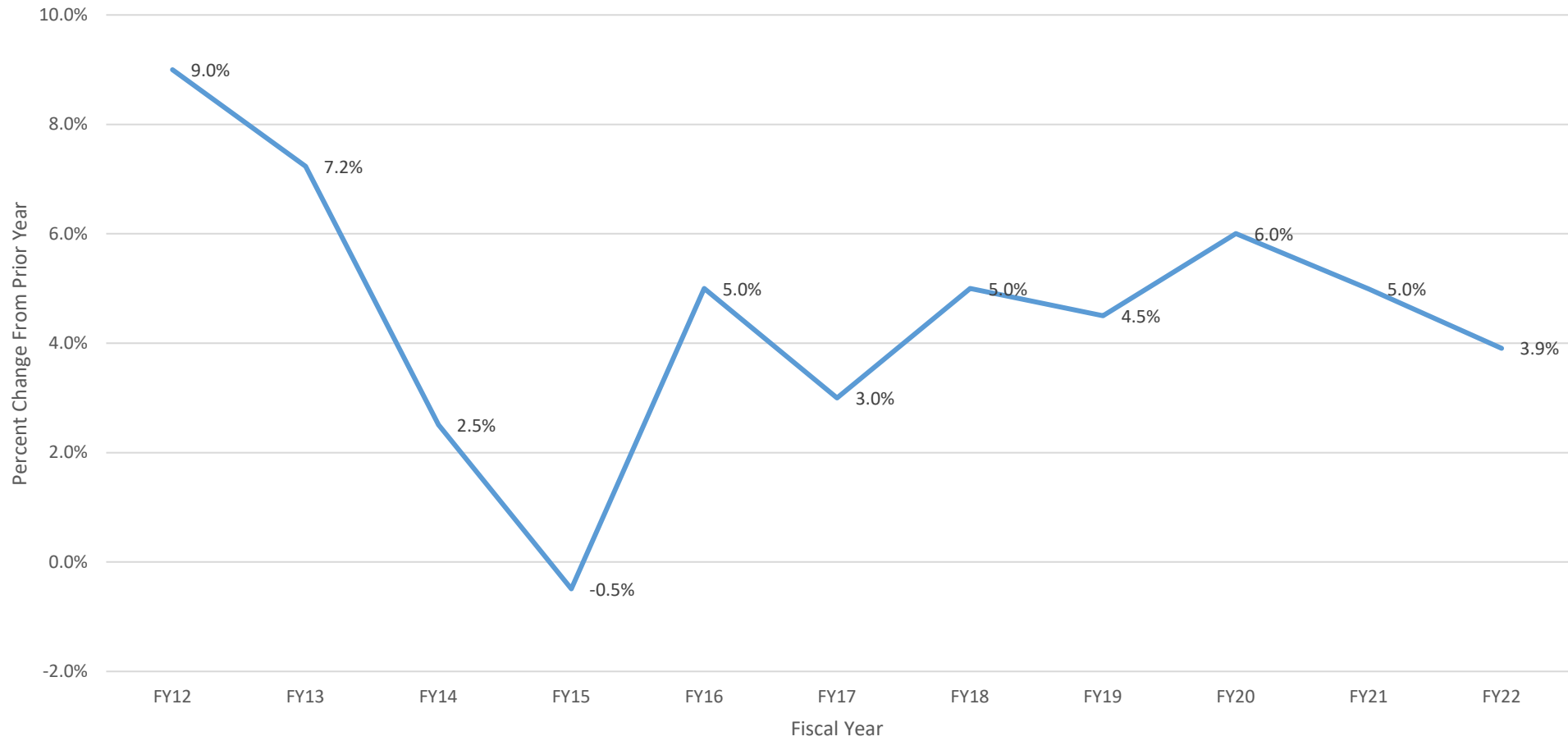
-\$2.28M One-time “hold harmless” funding to reduce impact of reductions that are a result of SSCM model changes.

Actual baseline funding is approximately \$29.7M.

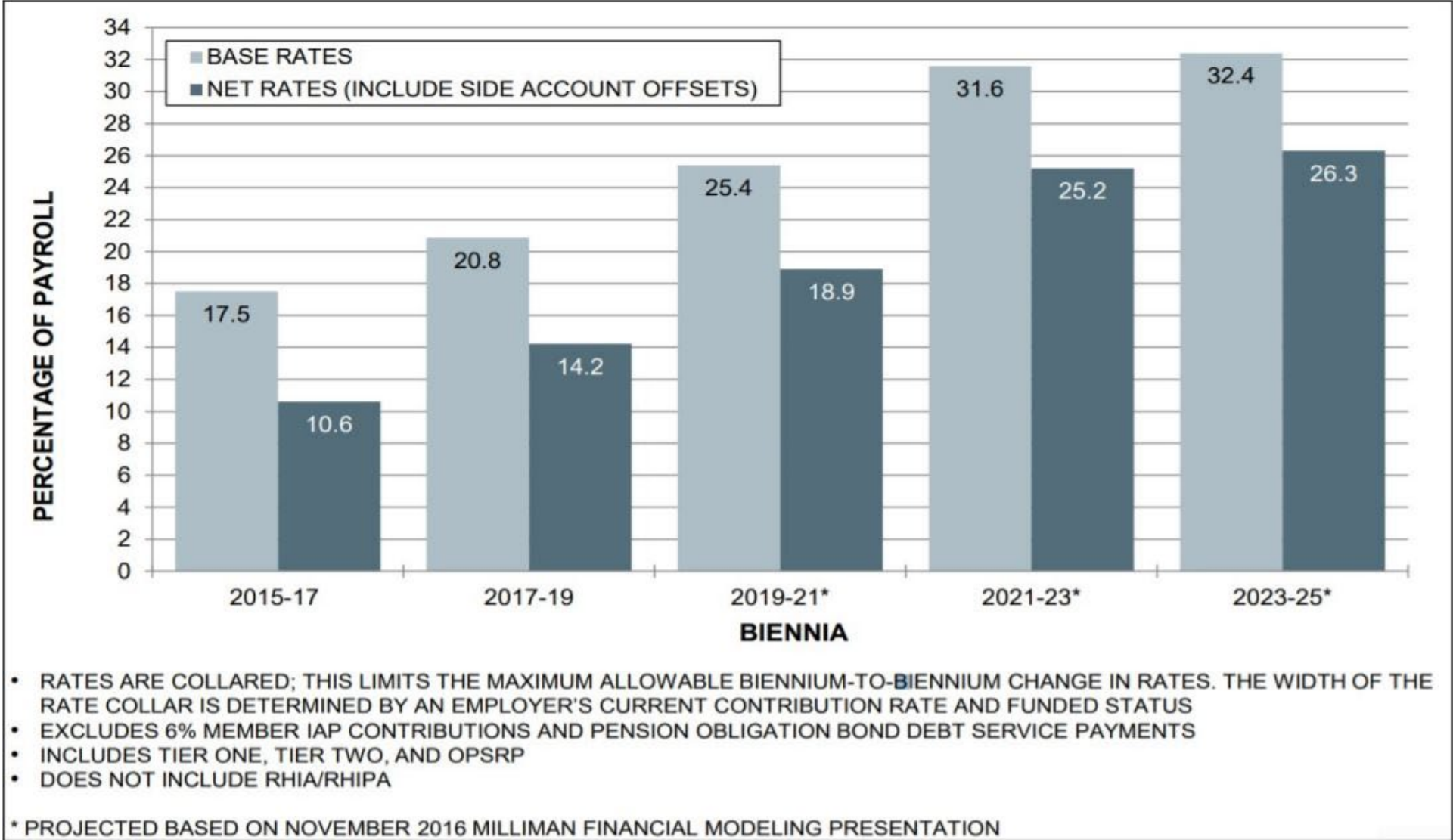
Oregon Tech 10 Year Annual Tuition History



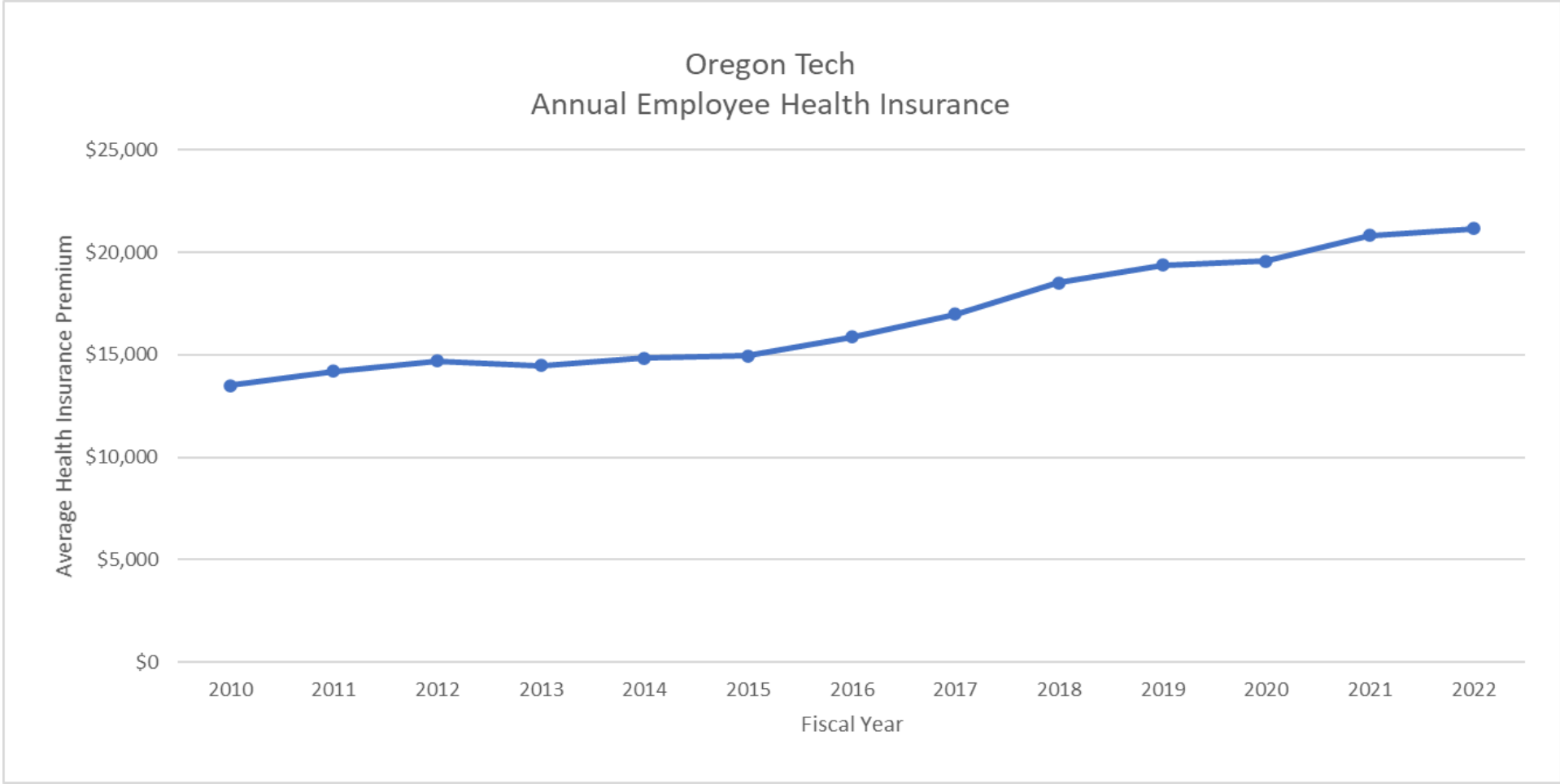
Oregon Tech 10 Year Tuition History % Change Year over Year



OPE: PERS Rate Expansion



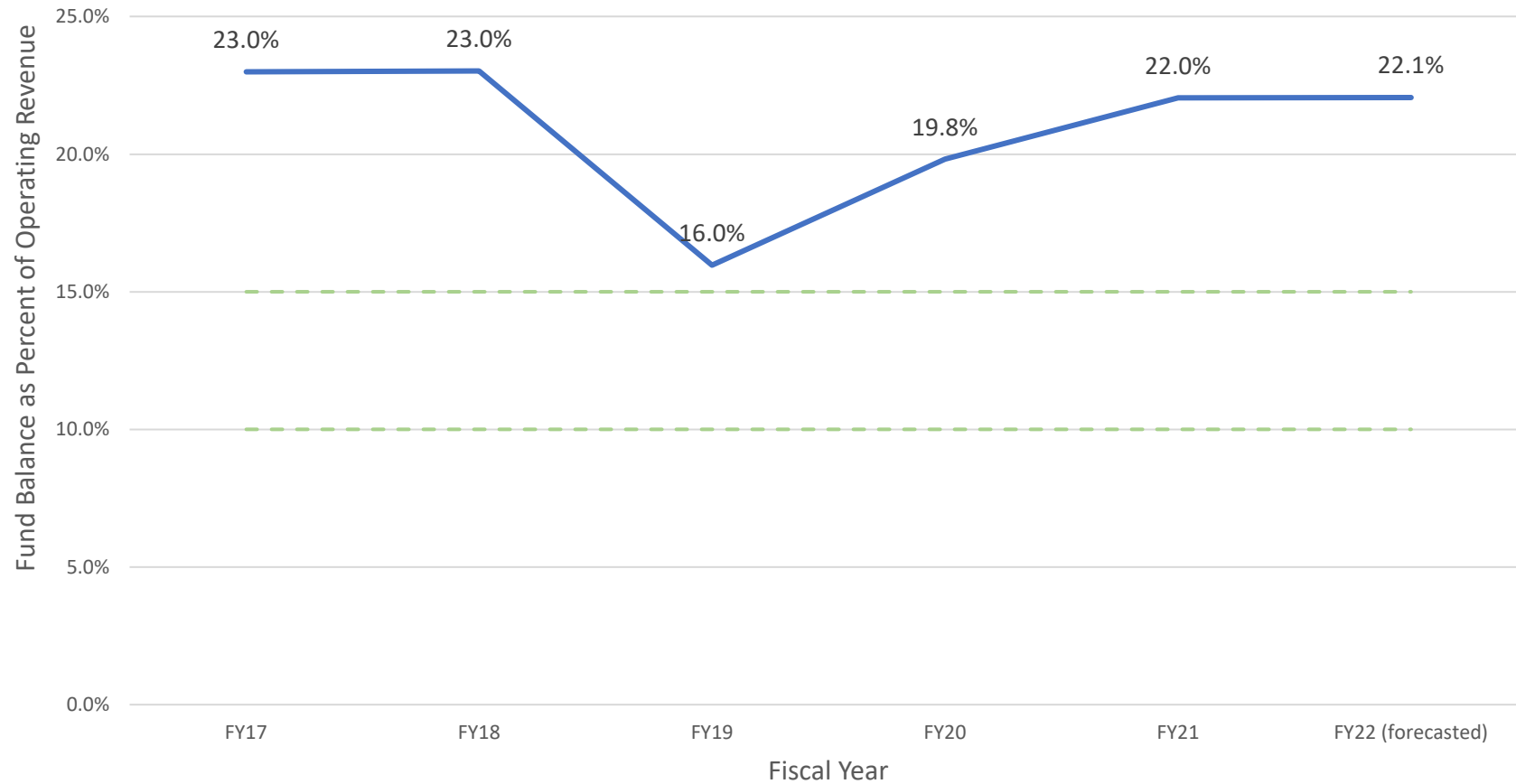
Annual Health Insurance Expense History



Fiscal Yearend Fund Balance History



Fund Balance as a Percent of Operating Revenue



* Note: Board Policy is to maintain a fund balance between 10% and 15% of annual budgeted operating revenues.



Questions?

Proposal: Change next meeting
from Feb 11th to Feb 4th