



Millersville University **Institutional Budget & Program Planning Update**

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February 2019

Millersville University



Overview

- **Our financial and enrollment results appear headed in the right directions**
- **Budget emphasis will be on transparency and providing full information about new initiatives and System Redesign**
- **MU will be making essential investments in student success including access, affordability, retention and quality**

MU and PASSHE Budget Overview

- **MU is financially stable and making investments to ensure future financial stability**
 - Enrollment stabilized and student quality is improving
 - Demographics compare favorably to other regions and we benefit from a strong local economy
 - Vibrant programs and community support
- **Governor's Budget is requesting a net 1.1% increase for PASSHE**
 - 1.5% E&G increase and 10.7% decrease to Key 93
- **"Sharing University" model will drive nonacademic service efficiencies, academic program collaborations, and increase in share of state appropriations to under-enrolled institutions**

Financial and Budget Updates

- **MU finished FY 2018 (6/30/18) with an E&G operating balance of \$2.1M**
 - After \$6.6M in capital project outlays, MU finished the year adding \$2.3M to unrestricted net assets
 - Total fundraising of \$15.3 million (highest in PASSHE)
- **MU's current (FY 2019) budget projects an operating balance of \$1.1 million**
- **For FY 2020, MU will introduce new academic initiatives and employ a broadly inclusive budget process to arrive at a balanced budget**

FY 2019 MU Initiatives

- **Preparation for MSCHE Self-Study**
- **Diversity to Inclusion Project**
- **Launch the new Strategic Planning Process for 2020-2025**
- **Update 2009 Campus Facilities Master Plan**
- **Expanded Sustainability Emphasis and Positive Energy Fund**
- **Facilities Improvements**
- **More inclusive budget planning process and monthly financial reporting**

FY 2020 Budget Priorities

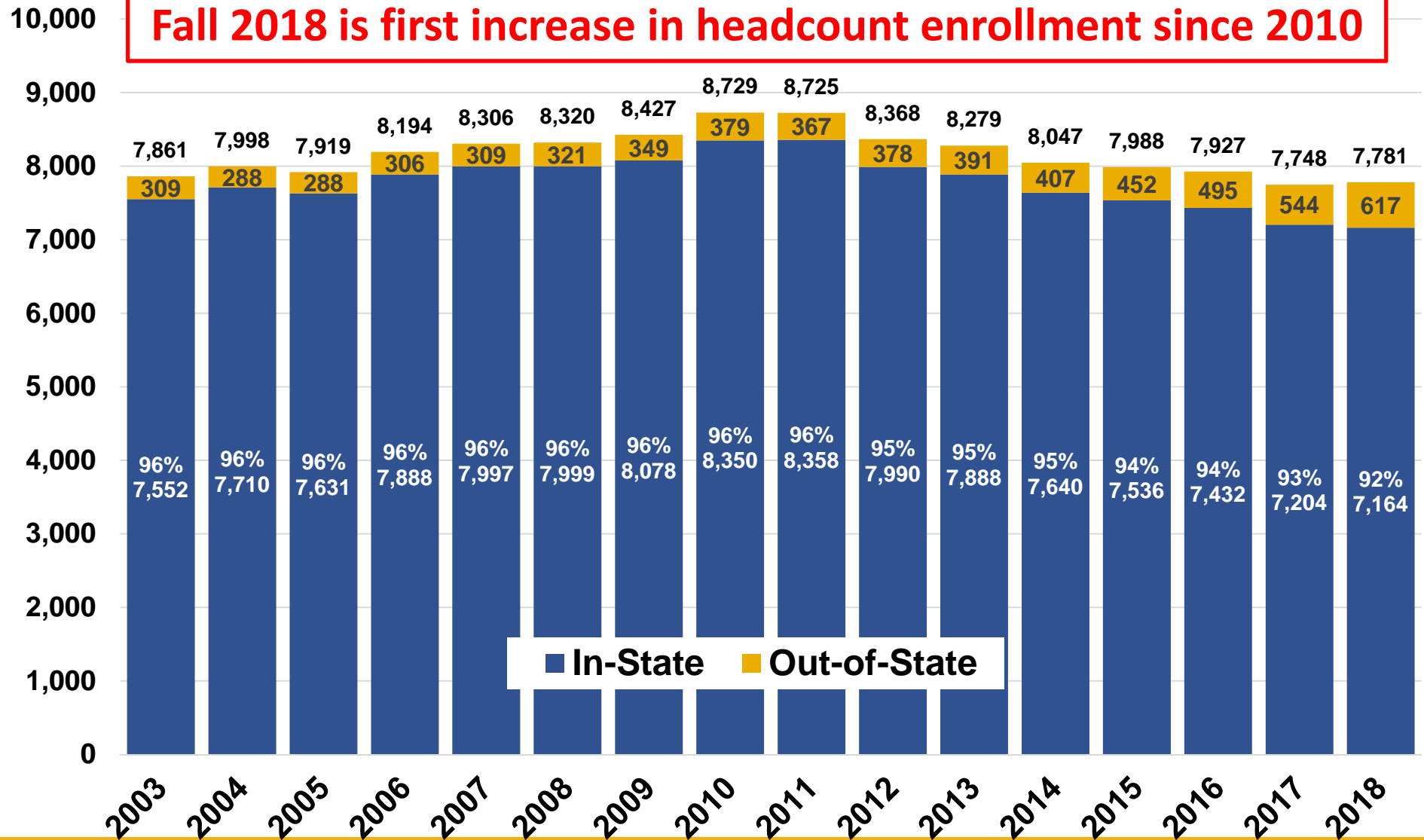
- **Improve affordability for students and their families**
- **Improve student retention and success**
- **Increase efficiency of nonacademic support operations**
- **Expand fundraising and alumni engagement (e.g., mentoring program)**
- **Introduce new academic programs**
- **Enhance MU's brand and market strength**

FY 2020 Initiatives

- **Student Affordability Strategies**
- **Student Retention & Success Strategies**
- **Expanded International Student Center**
- **New Office of Grants & Contracts**
- **Completion of the Imagine Campaign**
- **New Academic Program Offerings**

Fall Headcount Enrollment by Residency

Fall 2018 is first increase in headcount enrollment since 2010



Millersville University

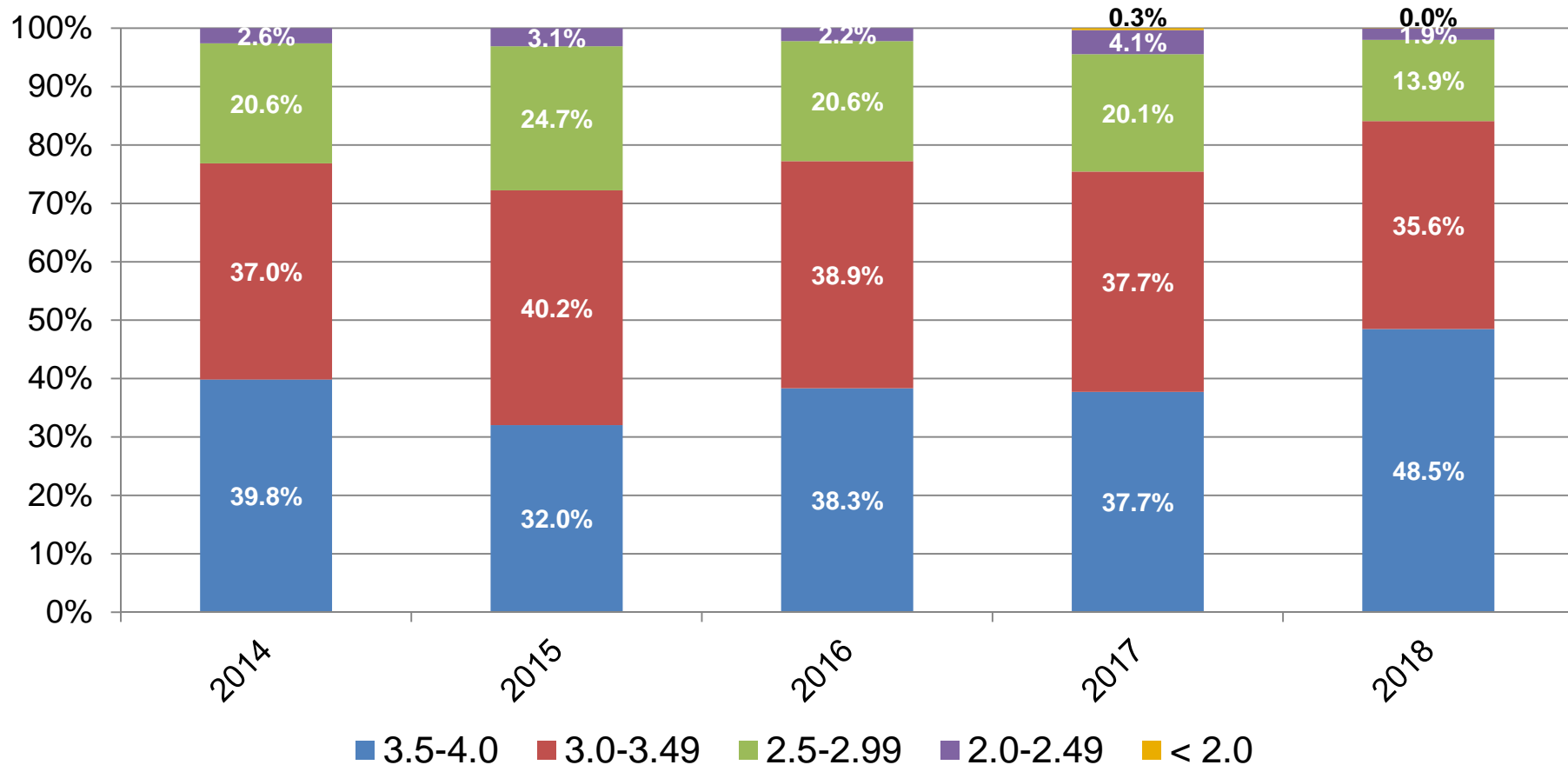


Source: student submission, preliminary end of 15th day data

High School Class GPA Percentage of Incoming Students Fall First-Time, Full-Time, Baccalaureate-Seeking Freshmen

In Fall 2018 over 84% of incoming student GPAs 3.0 or higher

Percentage
of Students



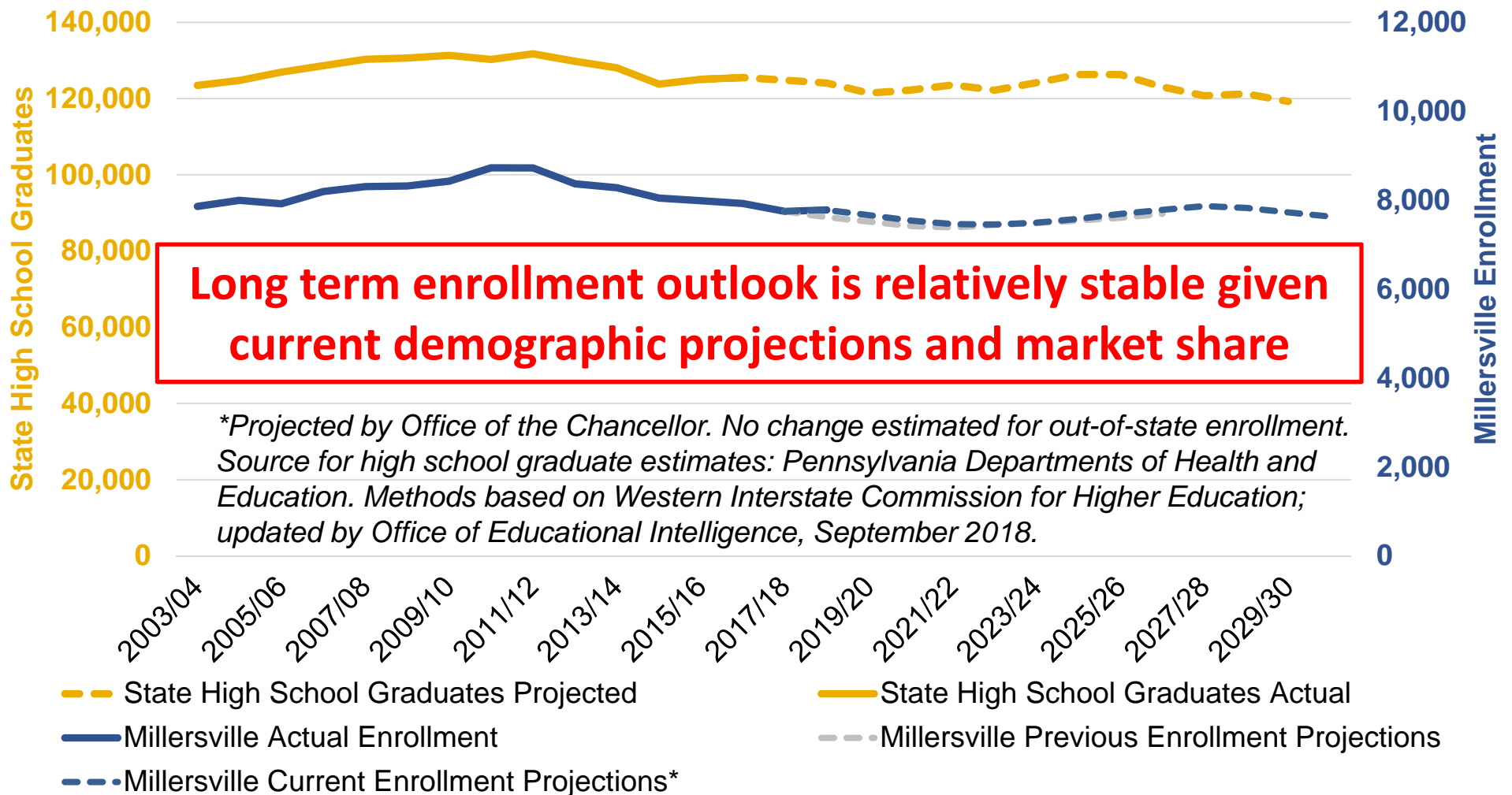
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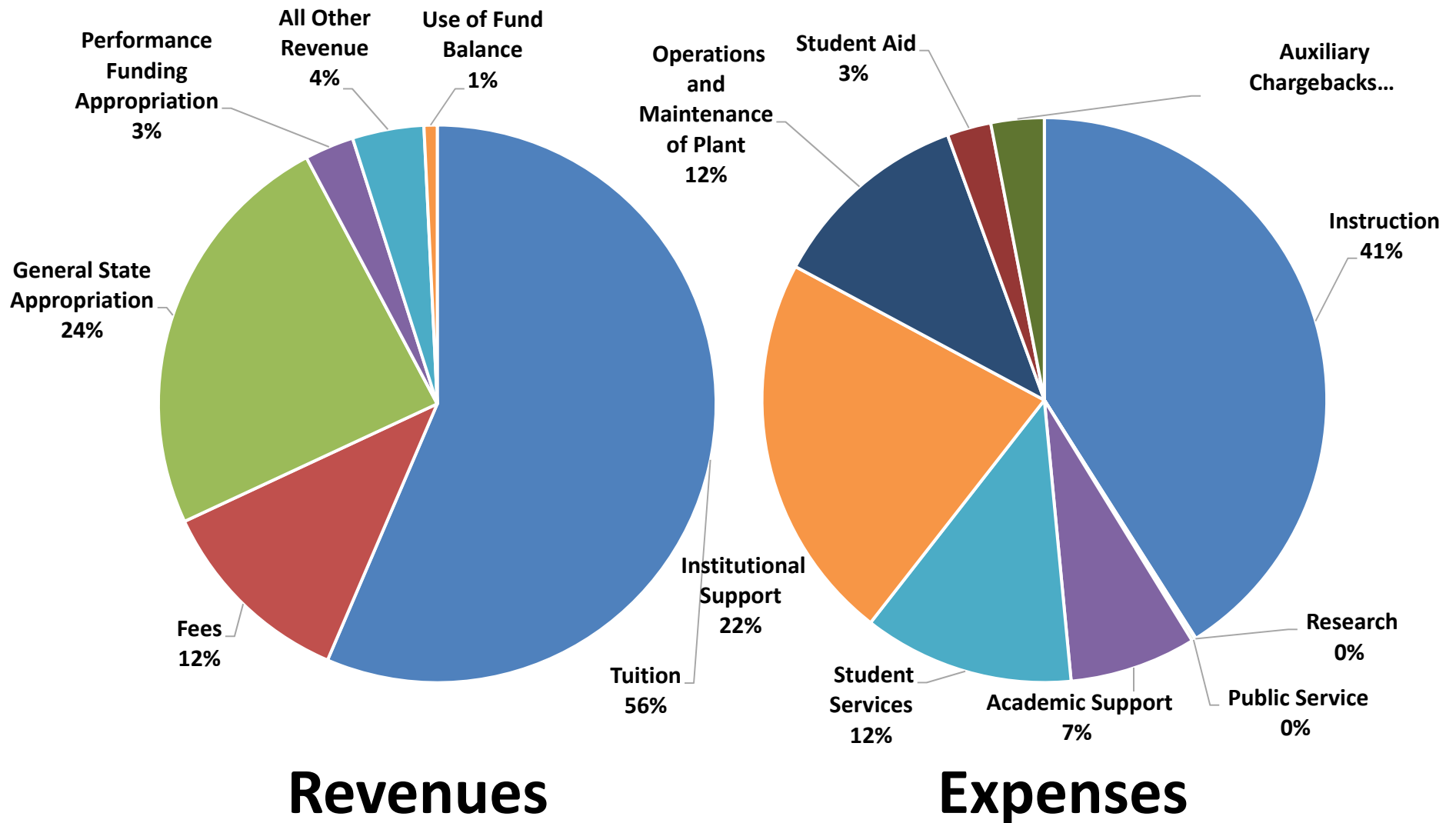
Source: student submission, preliminary end of 15th day data

Headcount Enrollment

Based on High School Graduates by County*



2018-19 Original Budget



Millersville University of Pennsylvania

2018-2019 E&G (Total)

12/31/2018 Actual with Projection

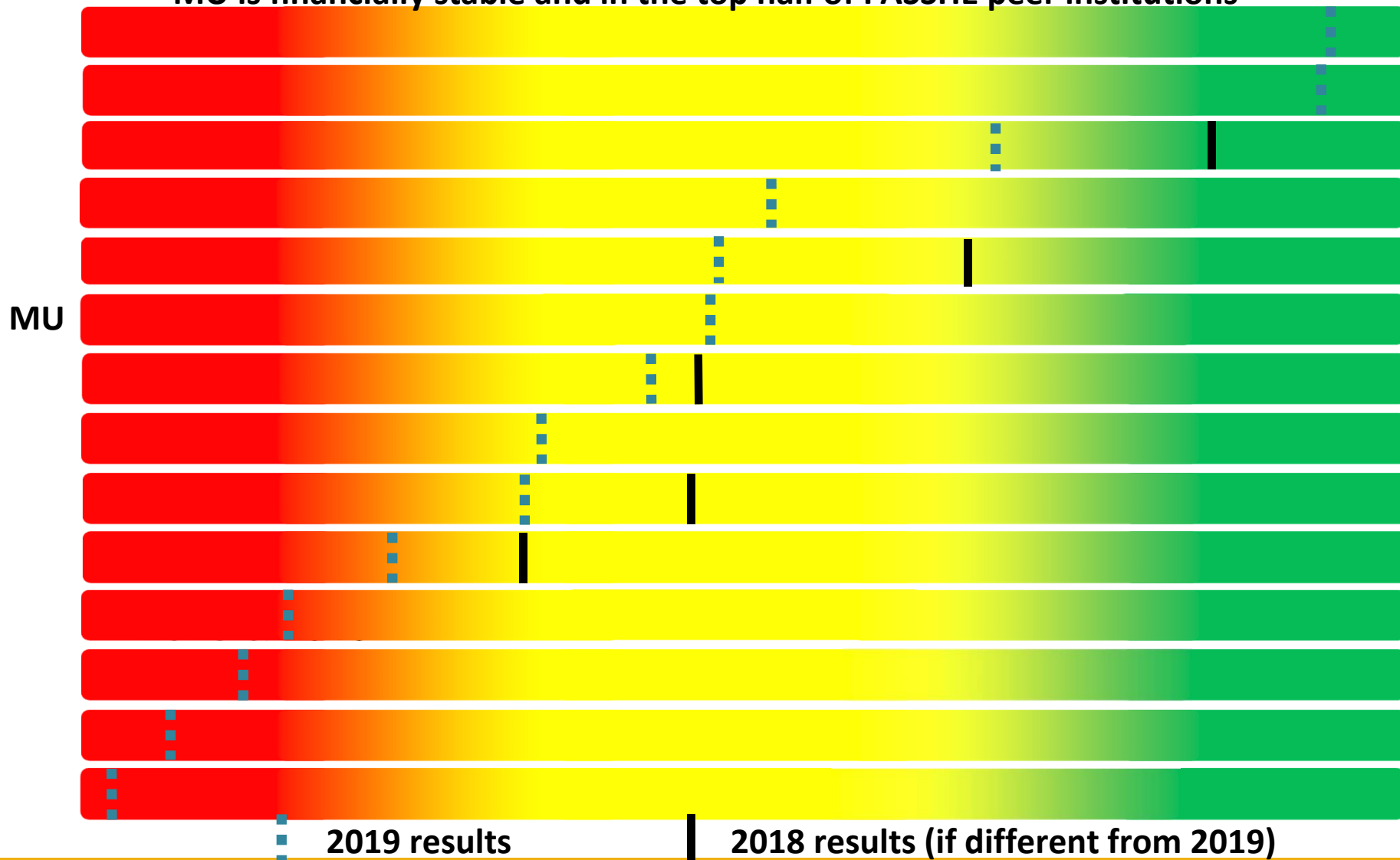
ALL E&G ACTIVITY COMBINED

	FY 2018	PCT OF	FY 2019	PCT OF	12/31/2018	PCT OF	FY 2019	PCT OF	FY 2019	PCT VAR
	ACTUAL	TOTAL	BUDGET	TOTAL	ACTUAL	BUDGET	FORECAST	BUDGET	VAR	
REVENUES										
Tuition	\$ 69,721,669	57.5%	\$ 71,964,251	56.4%	\$ 64,769,921	90.0%	\$ 71,328,404	99.1%	\$ (635,847)	(0.9%)
Fees	14,411,979	11.9%	14,829,350	11.6%	13,574,516	91.5%	14,922,884	100.6%	93,534	0.6%
General State Appropriation	30,559,141	25.2%	30,795,407	24.2%	15,193,176	49.3%	30,795,407	100.0%	-	0.0%
Performance Funding Appropriation	3,234,706	2.7%	3,651,500	2.9%	1,825,752	50.0%	3,651,500	100.0%	-	0.0%
All Other Revenue	3,328,144	2.7%	5,291,902	4.2%	2,821,173	53.3%	5,590,553	105.6%	298,651	5.6%
Use of Fund Balance	-	0.0%	973,779	0.8%	584,211	60.0%	1,099,382	112.9%	125,603	12.9%
TOTAL REVENUES	\$ 121,255,639	100.0%	\$ 127,506,189	100.0%	\$ 98,768,749	77.5%	\$ 127,388,130	99.9%	\$ (118,059)	(0.1%)
EXPENSES										
Instruction	\$ 53,674,263	45.0%	\$ 55,183,011	43.6%	\$ 21,009,163	38.1%	\$ 55,009,698	99.7%	\$ 173,313	0.3%
Research	112,105	0.1%	84,861	0.1%	84,661	99.8%	85,002	100.2%	(141)	(0.2%)
Public Service	406,041	0.3%	251,014	0.2%	160,201	63.8%	312,730	124.6%	(61,716)	(24.6%)
Academic Support	8,611,977	7.2%	9,762,667	7.7%	4,401,780	45.1%	9,592,520	98.3%	170,147	1.7%
Student Services	17,281,824	14.5%	16,247,232	12.9%	7,658,942	47.1%	16,341,244	100.6%	(94,012)	(0.6%)
Institutional Support	27,951,031	23.5%	30,002,144	23.7%	13,836,970	46.1%	29,720,934	99.1%	281,210	0.9%
Operations and Maintenance of Plant	13,432,895	11.3%	15,615,335	12.4%	5,407,541	34.6%	15,839,655	101.4%	(224,320)	(1.4%)
Student Aid	1,721,374	1.4%	3,393,289	2.7%	2,962,892	87.3%	3,477,679	102.5%	(84,390)	(2.5%)
Auxiliary Chargebacks	(4,018,795)	(3.4%)	(4,102,045)	(3.2%)	(2,039,211)	49.7%	(4,100,693)	100.0%	(1,352)	0.0%
EXPENSES Grand Totals	\$ 119,172,715	100.0%	\$ 126,437,508	100.0%	\$ 53,482,938	42.3%	\$ 126,319,449	99.9%	\$ 118,059	0.1%
Salaries & Wages	63,267,640	53.1%	65,468,484	51.8%	26,661,160	40.7%	65,653,306	100.3%	(184,822)	(0.3%)
Benefits	30,081,260	25.2%	32,195,022	25.5%	14,725,486	45.7%	31,985,592	99.3%	209,430	0.7%
Operating	24,847,213	20.8%	27,697,321	21.9%	13,241,126	47.8%	27,782,163	100.3%	(84,842)	(0.3%)
Utilities	2,360,656	2.0%	2,359,400	1.9%	868,214	36.8%	2,229,755	94.5%	129,645	5.5%
Debt Service	2,492,164	2.1%	2,340,612	1.9%	-	0.0%	2,340,612	100.0%	-	0.0%
Auxiliary Chargebacks	(4,018,795)	(3.4%)	(4,102,045)	(3.2%)	(2,039,211)	49.7%	(4,100,693)	100.0%	(1,352)	0.0%
Capital	142,577	0.1%	478,714	0.4%	26,163		428,714	89.6%	50,000	10.4%
Net Surplus (deficit)	\$ 2,082,924		\$ 1,068,681		\$ 45,285,811		\$ 1,068,681		\$ -	0.0%

MU now updates its budget forecast monthly – current year is on track to finish very close to budget

Overall Financial Risk Assessment

MU is financially stable and in the top half of PASSHE peer institutions

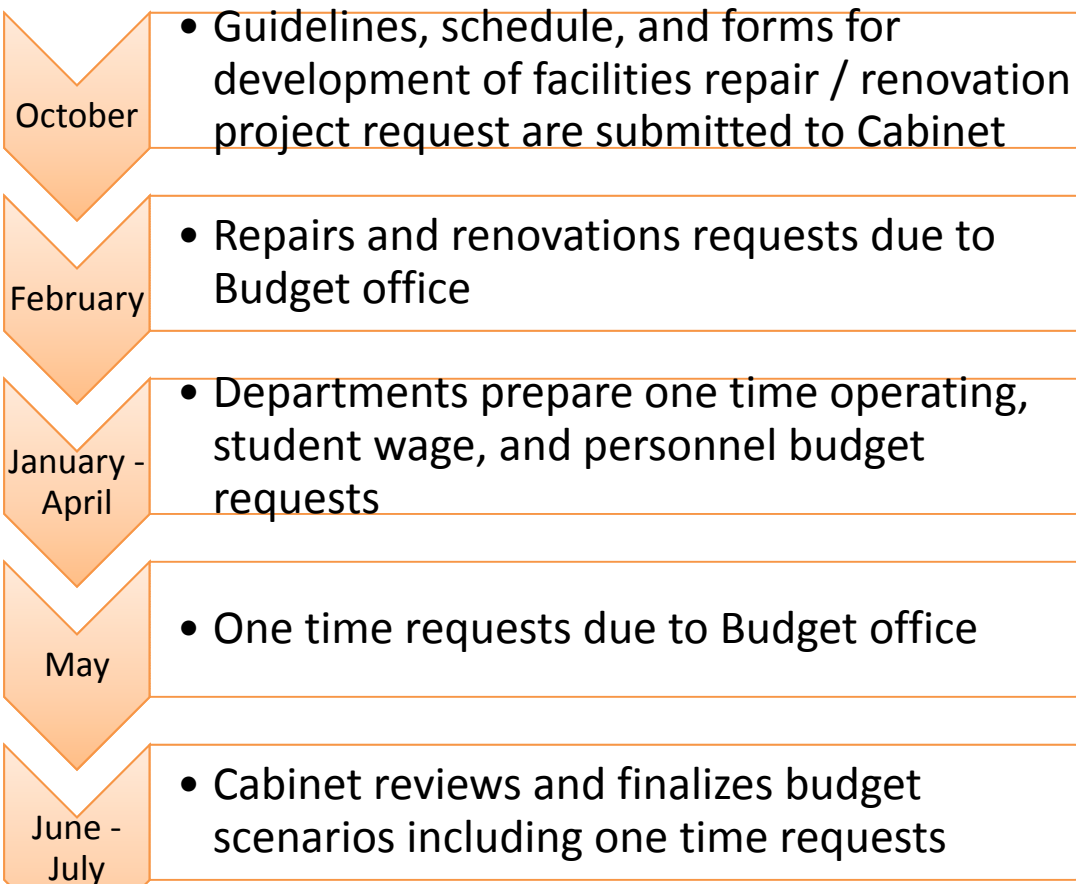


FY 2020 Budget Process Changes

- **Broaden participation in annual budget development process**
 - **President's Budget Advisory Council will include student, faculty and staff representatives**
- **Develop multiyear operating budget plans integrating new program investments and revenue streams**
 - **University Budget Committee will create 5-year budget plans and scenarios to inform decisions**
- **Develop “all funds” budgets including operating and capital budget plans**

Budget Process Changes

Current Budget Process



New Process Adds:

University Budget Committee develops 5 year scenarios and recommends budget to President's Budget Advisory Council

President's Budget Advisory Council prioritizes budget options for recommendation to President

President makes final budget decisions

Council of Trustee Budget Approval

Budget Unknowns

- **Board of Governor tuition increase levels**
- **State appropriation levels and formulas**
 - **Include potential financial commitments impacting revenues and costs**
- **Impacts of System Redesign**
- **Outcomes of collective bargaining agreements**

Summary

- **Our financial and enrollment results appear headed in the right directions**
- **MU will be making essential investments in student success including access, affordability, retention and quality**
- **Budget emphasis will be on transparency and providing full information about new initiatives and System Redesign**



QUESTIONS?