

Faculty Senate Budget Update

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Agenda

- FY20 Q4 Actuals
 - Net tuition shortfall
 - Investment returns
 - Divisional budget underspend
 - CARES Institutional Funds
- Revised FY21 All Funds budget
 - Major Changes- auxiliaries
 - Minor change (1%) E&G
 - Impact of Divisional Underspend
- FY22 Scenarios
 - Enrollment decline - tail
 - State Support
 - Inflation/ Current Service Level
 - Scenarios
- Resources

FY20 Enrollment

Student Credit Hours

		FY19	FY20	Change	
		#	#	#	%
Resident	Undergraduate	564,354	539,353	-25,001	-4.4
	Graduate	93,792	85,623	-8,169	-8.7
<i>Resident Subtotal</i>		<i>658,146</i>	<i>624,976</i>	<i>-33,170</i>	<i>-5.0</i>
Non-Resident	Undergraduate	174,923	164,271	-10,652	-6.1
	Graduate	39,103	38,987	-116	-0.3
<i>Non-Resident Subtotal</i>		<i>214,026</i>	<i>203,258</i>	<i>-10,768</i>	<i>-5.0</i>
Total		872,172	828,234	-43,938	-5.0

TOTAL UNIVERSITY 20 Quarter 4 Unaudited Actuals

<i>Dollars in 000s</i>	E&G	Designated Operations	Service Departments	Auxiliary Enterprises	Restricted Funds	Total All Funds	Total All Funds 2019-20 Budget	FY20 Q3 Forecast to Q4 Actuals	
								Forecast	Percent
Revenue									
Gross Tuition	218,695	-	-	-	-	218,695	228,852	217,380	0.61%
Less: Remissions	(20,536)	-	-	-	-	(20,536)	(23,810)	(21,350)	-3.81%
Net Tuition	\$ 198,160	\$ -	\$ -	\$ -	\$ -	\$ 198,160	\$ 205,042	\$ 196,030	1.09%
Student Fees & Non Credit Tuition	\$ 14,478	\$ 2,296	\$ -	40,565	\$ -	\$ 57,339	\$ 66,261	\$ 58,433	-1.87%
Government Resources & Allocations	107,018	-	-	877	-	107,895	108,862	107,912	-0.02%
Gift Grants and Contracts	11,870	2,205	3	5	74,826	88,909	88,115	86,970	2.23%
Student Financial Aid	-	-	-	-	68,942	68,942	62,293	69,530	-0.85%
Investment/Debt/Debt Service	9,161	1,185	-	594	120	11,060	4,912	7,731	43.05%
Sales, Services & Other Revenue	5,670	2,855	3,601	47,884	509	60,518	68,400	58,992	2.59%
Total Revenue	\$ 346,355	\$ 8,541	\$ 3,604	\$ 89,925	\$ 144,396	\$ 592,822	\$ 603,885	\$ 585,598	1.23%
Expense									
Salaries & Wages	\$ 175,569	\$ 3,541	\$ 1,015	\$ 20,094	\$ 27,464	\$ 227,684	\$242,571	\$ 228,848	-0.51%
OPE (fringes)	90,072	1,404	368	\$ 9,554	12,309	113,706	123,702	113,907	-0.18%
Service & Supplies (net of transfers)	61,104	4,142	1,122	\$ 54,111	35,278	155,758	171,623	161,801	-3.73%
Student Financial Aid	-	-	-	-	70,099	70,099	62,293	70,079	0.03%
Management Reserve Expenses	8,651	-	-	-	-	8,651	-	10,060	-14.01%
Total Expense	\$ 335,397	\$ 9,087	\$ 2,505	\$ 83,760	\$ 145,149	\$ 575,897	\$ 600,189	\$ 584,695	-1.50%
Net before Depreciation	\$ 10,958	\$ (545)	\$ 1,100	\$ 6,165	\$ (753)	\$ 16,925	\$ 3,695	\$ 903	
Depreciation	\$ -	\$ -	\$ 76	\$ 11,483	\$ -	\$ 11,558	\$ 11,010	\$ 11,125	
Net	\$ 10,958	\$ (545)	\$ 1,024	\$ (5,318)	\$ (753)	\$ 5,366	\$ (7,315)	\$ (10,222)	

FY20 Recurring General Fund Budget Underspend

Division	FY20 General Fund Underspend After 2% pullback	% of FY20 General Fund Budget
Academic Affairs	\$9.8 million	4.67%
President's Office	\$0.7 million	8.52%
Enrollment Management	\$1.1 million	10.96%
Foundation	\$0	0.00%
Research & Graduate Studies	\$0.5 million	11.48%
Office of Information Technologies	\$0.6 million	2.98%
Finance & Administration	\$1.6 million	4.52%
Athletics	\$0	0.00%

CARES Funds

Type	Use	Proposed Amount Funded	Actual Amount Incurred (as of 9/3/2020)
Student	Direct payment to students	\$8,320,203	\$8,296,389
Institutional	Institutional Reimbursable Costs	\$4,313,975	\$3,967,551
Institutional	Covid Related Costs Instructional Support	\$1,422,000	\$279,252
Institutional	Covid Related Costs Safety	\$2,093,000	\$159,284
Institutional	Unallocated	\$491,227	\$ -
Strengthening the Institution	Proposals Under Review	\$825,183	\$ -
	Total	\$17,465,588	

Institutional Reimbursable costs include Housing, Rec Center Fee and student parking refunds

Instructional Support includes classroom upgrades, IT computer and equipment purchases, remote communications infrastructure and summer faculty trainings

Safety includes instructional facility modifications, PPE supplies, Covid testing, virtual commencement and telehealth

Revised FY21 All Funds Budget

Revised FY21 All Funds Budget

<i>Dollars in 000s</i>	E&G	Designated Operations	Service Departments	Auxiliary Enterprises	Restricted Funds	Total All Funds
Revenue						
Gross Tuition	211,730	-	-	-	-	211,730
Less: Remissions	(23,111)	-	-	-	-	(23,111)
Net Tuition	\$ 188,619	\$ -	\$ -	\$ -	\$ -	\$ 188,619
Student Fees & Non Credit Tuition	\$ 14,502	\$ 2,551	\$ -	\$ 43,390	\$ -	\$ 60,442
Government Resources & Allocations	109,659	-	-	950	68	110,677
Gift Grants and Contracts	12,622	1,839	-	-	70,635	85,096
Student Financial Aid	-	-	-	-	64,537	64,537
Investment/Debt/Debt Service	3,700	705	-	418	94	4,918
Sales, Services & Other Revenue	6,936	2,171	2,914	31,902	385	44,309
Total Revenue	\$ 336,038	\$ 7,266	\$ 2,914	\$ 76,660	\$ 135,719	\$ 558,598
Expense						
Salaries & Wages	\$ 187,261	\$ 2,880	\$ 987	\$ 20,163	\$ 28,241	\$ 239,532
OPE (fringes)	95,974	1,364	438	\$ 10,115	12,366	120,257
Service & Supplies (net of transfers)	63,803	4,045	940	\$ 53,008	30,506	152,302
Student Financial Aid	-	-	-	-	64,606	64,606
Management Reserve Expenses		-	-	-	-	-
Held for Risk Abatement	-	-	-	-	-	-
Total Expense	\$ 347,038	\$ 8,288	\$ 2,365	\$ 83,286	\$ 135,719	\$ 576,697
Net before Depreciation	\$ (11,000)	\$ (1,022)	\$ 549	\$ (6,626)	\$ (0)	\$ (18,099)
Depreciation	\$ -	\$ -	\$ 111	\$ 11,337	\$ -	\$ 11,447
Net	\$ (11,000)	\$ (1,022)	\$ 438	\$ (17,963)	\$ (0)	\$ (29,546)

Major Revisions to Auxiliary Budgets

	Revenue	Expenses net of Transfers*	Net before depreciation
Athletics	\$1.57 million	\$5.25 million	-\$3.68 million
Housing	\$11.3 million	\$10.54 million	\$.758 million
University Place Hotel	\$1.45 million	\$3.32 million	-\$1.87 million
Parking	\$3.46 million	\$6.15 million	-\$2.68 million
Property Management (including Commercial Real Estate)	\$8.6 million	\$8.23 million	\$.364 million

*Expenses are net of \$5 million in Treasury Reserves usage to cover debt payments for Housing, University Place Hotel and Parking

FY21 Investments from Central Reserves

- Year 3 of 3 Centers and Institutes
\$1 million (total \$3 Million)
 - Year 2 of 2 Marketing Campaign
\$900 thousand (total \$ 2.6 Million)
 - Racial Equity Fund
\$1.5 million (total \$ 1.5 Million)
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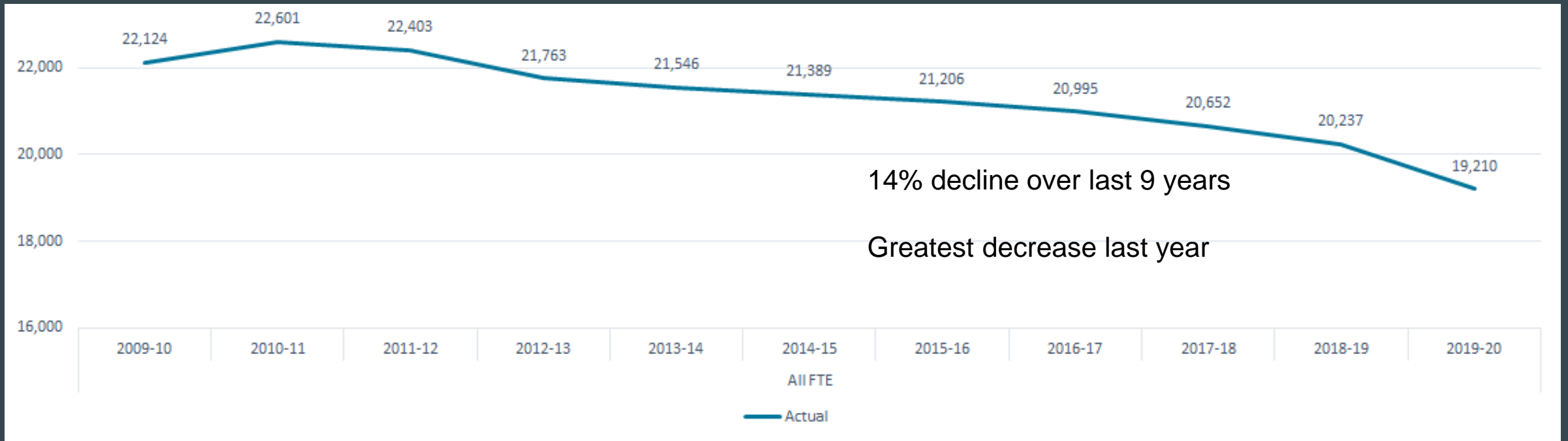
Looking Forward to FY22

- Enrollment
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Enrollment- December 2019 Forecast (March 2020 forecast was for a further 3.5% decline in 2020-2021)

PSU Historical Student FTE Equivalent



FY21 Enrollment

Enrollment Summary

- » Summer term student credit hours are up 11% over last year
- » Fall student credit hours (as of September 30) are down 2.8%
 - **New student** credit hours are down 5.4%
 - **Continuing** student credit hours are down 1.9%

<i>Student Credit Hours</i>		<i>201</i>	<i>202</i>	<i># Chang</i>	<i>% Chang</i>
Summer	Resident	51,849	59,412	7,563	14.6%
	Non-Resident	19,132	19,385	253	1.3%
	Total	70,981	78,797	7,816	11.0%
Fall	Resident	198,359	196,548	-1,811	-0.9%
	Non-Resident	60,958	55,482	-5,476	-9.0%
	Total	259,317	252,030	-7,287	-2.8%

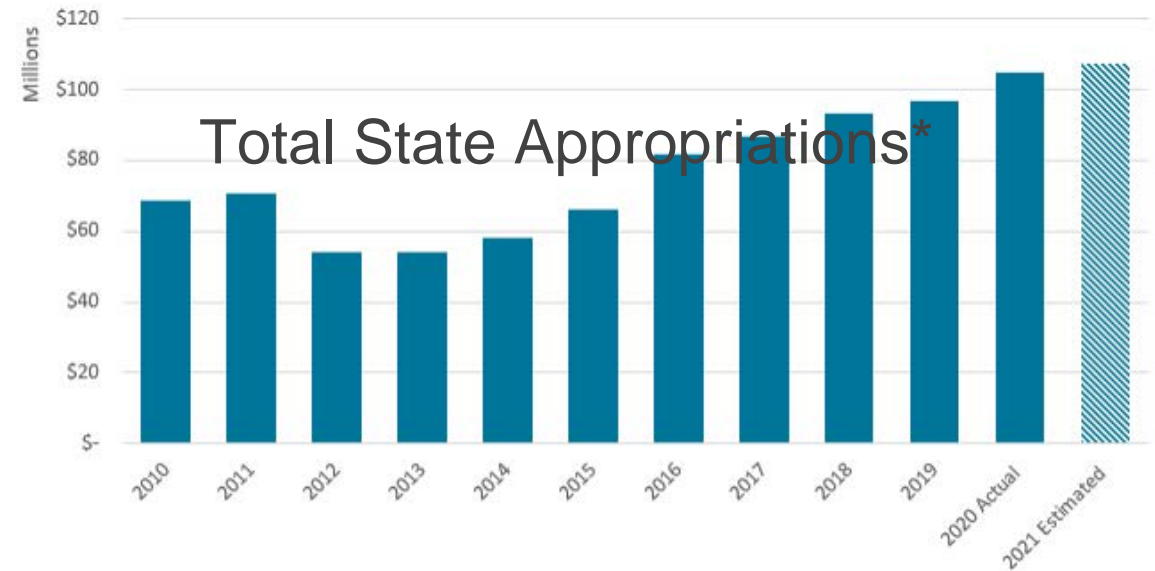
Net Tuition Revenue and Student Credit Hour Generation

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021 revised budget
Gross Tuition	\$220,133	\$224,809	\$224,678	\$218,695	\$211,730
Net Tuition	\$199,641	\$202,071	\$203,578	\$198,160	\$188,619
SCH	902,355	887,653	872,172	828,216	788,724

- Enrollment has declined over 13.5% since 2016-2017
- Gross tuition revenue has also declined 3.8% during that same time period despite annual tuition increases
- Tuition remissions have grown \$2.6 million or 12.8%, bringing the decline in net tuition revenue to 5.5% since 2016-2017

State Support Increased During a Period of Declining Student Enrollment

Total State Appropriations*



*Excludes SELP and other Debt Service Appropriations

Historical General Fund Personnel Expenditures*

	2014-15	2015-16	2016-17	2017-18	2018-19	Avg % Annual Increase
Salaries & Wages	\$140,620,533	\$148,698,956	\$156,704,902	\$161,151,761	\$164,852,723	2.9%
Healthcare (PEBB)	23,925,278	24,052,364	25,844,068	26,336,313	26,502,110	0.9%
Retirement (PERS)	24,435,785	26,637,873	27,527,821	32,040,796	33,062,983	6.4%
GA Fee Remissions	6,153,837	6,545,944	6,664,897	6,752,566	6,710,914	1.6%
Other OPE (taxes)	11,128,825	11,692,758	12,562,965	13,027,171	13,550,731	3.4%
Total Personnel	\$206,264,258	\$217,627,898	\$229,304,653	\$239,308,607	\$244,679,461	3.1%

*Includes Management Reserve Spending

FY22 Preliminary Scenario Planning Potential General Fund Budget Deficit

Change in Biennial State Allocation					
Current Service Level	5%	0%	-5%	-10%	-15%
0%	\$12 to \$14 million	\$17 to \$19 million	\$22 to \$24 million	\$27 to \$29 million	\$33 to \$35 million
1%	\$15 to \$17 million	\$20 to \$22 million	\$25 to \$27 million	\$31 to 33 million	\$36 to 38 million
2%	\$18 to \$20 million	\$24 to \$26 million	\$29 to \$31 million	\$34 to \$36 million	\$39 to \$41 million
3%	\$22 to \$24 million	\$27 to \$29 million	\$32 to \$34 million	\$37 to \$39 million	\$42 to \$44 million

Based on a further enrollment decline of 1.8%, resident undergraduate increase of 5%, and flat remission budget

Resources

University Budget Office

<https://www.pdx.edu/budget/>

Board of Trustees Finance and Administration Committee

<https://www.pdx.edu/board/finance-and-administration-committee>

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