WCSU FY13 Budget Status Report
For the WCSU Community at 5/8/12
Overview

• Budgets – Plural
• FY13 Operating Budget
  • Assumptions
  • FY13 Operating Budget
  • Next Step
  • Concerns
• Tuition and Fees
• FY13 Capital Budget
• Q&A
Summary of Base Assumptions

• Values guiding the budget process
  – Meet our core mission of educating students
  – Move forward with our strategic plan – use it to guide decision making
  – Preserve our permanent work force
  – Be transparent
  – Act quickly – to minimize period of uncertainty
  – Be flexible
Summary of Base Assumptions

• State appropriation increased - to $39.9 million
  – Includes fringe benefit support
  – Represents a 0.9% increase vs. FY12 Approved Spending Plan ($39.5 million)
  – Represents a 2.9% increase vs. FY12 Forecasted Spending Plan ($38.7 million)

• State support as a portion of total revenue has consistently fallen
  – FY10 Actual - $43.7 million, or 38.9%
  – FY11 Actual - $44.1 million, or 38.1%
  – FY12 Forecast - $38.7 million, or 35.2%
  – FY13 Budget - $39.9 million, or 34.9%
Summary of Base Assumptions

• Modest tuition and fee increases
  – Tuition increase 3.9%
  – Fees increase 4.6%
  – Meal plans increase 4.5%
  – Housing increases 3.5%

• Planning on 1% enrollment decline for FT UG

• Last year of salary freeze, but benefits grow 5%
Summary of Base Assumptions

• Achieve balance through:
  – Modest rate increases more than offset enrollment declines
  – Continuation of last year’s labor concessions
  – Continued discipline in position management
  – One-time use of reserves
New Developments

• State income tax receipts are weak
• Overall state revenue shortfall of $150 million for FY12 and $234 million for FY13.
• Governor, staff and legislature reviewing options for this year and next
• OPM requested contingency plan to cut $484,000 from our FY12 expenditures (5% of our 4th quarter state allocation) – but has not communicated further on this.
## FY12 Forecast & FY13 Budget

<table>
<thead>
<tr>
<th>Revenue (in millions)</th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td>$52.9</td>
<td>$55.3</td>
</tr>
<tr>
<td>Food &amp; Housing</td>
<td>$15.2</td>
<td>$15.8</td>
</tr>
<tr>
<td>Pass-Throughs</td>
<td>$ 1.3</td>
<td>$ 1.5</td>
</tr>
<tr>
<td>State Appropriation</td>
<td>$38.7</td>
<td>$39.9</td>
</tr>
<tr>
<td>All Other &amp; Contra</td>
<td>$ 2.1</td>
<td>$ 1.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$110.2</strong></td>
<td><strong>$114.4</strong></td>
</tr>
<tr>
<td>Expense (in millions)</td>
<td>FY12</td>
<td>FY13</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Labor (all)</td>
<td>$74.0</td>
<td>$76.3</td>
</tr>
<tr>
<td>O&amp;E</td>
<td>$20.6</td>
<td>$21.1</td>
</tr>
<tr>
<td>Aid &amp; Waivers</td>
<td>$6.1</td>
<td>$6.2</td>
</tr>
<tr>
<td>Pass-Throughs</td>
<td>$1.3</td>
<td>$1.5</td>
</tr>
<tr>
<td>Other</td>
<td>$2.7</td>
<td>$2.7</td>
</tr>
<tr>
<td>Debt &amp; Reserves</td>
<td>$5.5</td>
<td>$6.6</td>
</tr>
<tr>
<td>Total</td>
<td>$110.2</td>
<td>$114.4</td>
</tr>
<tr>
<td>Gap</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
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</table>
FY13 Budget

• The WCSU proposed FY13 budget:
  – Is essentially status quo with FY13, but with more tenure track faculty
  – Maintains the financial aid set aside at 16%
  – Maintains the number of non faculty full time lines at current year levels, but some trades were made.
  – Funds 2 additional faculty lines – bringing total for FY13 to 232. (Includes 20 tenure track hires)
  – Maintains a modest contingency to absorb further cuts or make strategic expenditures
FY13 Budget

- The budget is a responsible plan that preserves instruction and service to students and our permanent work force
- Submission was not “last step”
Next Steps

- Major FY13 Budget Milestones
  - April 5 – WCSU spending plan due at ConnSCU office
  - April 18 – Budget Presentation to President
  - May 9 – BOR Finance Committee Meeting
  - TBD – BOR Meeting and spending plan approval
Next Steps

• Monitor state budget developments
• Adjust budget as needed and communicate with the University community
On-Going Concerns – FY13

• Enrollment
• Residence Hall Occupancy
• Course schedules, # seats, and class size
• Impact of weak state tax collections
On-Going Concerns – FY14

• Appropriation levels/weak tax collections
• Political view on tuition and fee increases – tension between affordability and viability.
• Commitments from the prior-year labor concession for salary increases and position stability in force for FY14 – FY16
  – Annual raises of about 4% to 5% start in FY14
  – No layoff commitments in place
## FY13 Tuition and Fees

### Full-Time UG – Per Year

<table>
<thead>
<tr>
<th>Category</th>
<th>FY12</th>
<th>FY13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$4,124</td>
<td>$4,285</td>
<td>+$161</td>
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<tr>
<td>Fees</td>
<td>$3,980</td>
<td>$4,164</td>
<td>+$184</td>
</tr>
<tr>
<td>Total</td>
<td>$8,104</td>
<td>$8,449</td>
<td>+$345</td>
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</table>
# FY13 Tuition and Fees

## Housing and Food – Per Year

<table>
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<th>Category</th>
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<th>FY13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing (double)</td>
<td>$6,004</td>
<td>$6,214</td>
<td>+$210</td>
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<tr>
<td>Food Service</td>
<td>$4,379</td>
<td>$4,576</td>
<td>+$197</td>
</tr>
<tr>
<td>Social Fee</td>
<td>$38</td>
<td>$42</td>
<td>+ $4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10,421</strong></td>
<td><strong>$10,832</strong></td>
<td><strong>+$411</strong></td>
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## FY13 Tuition and Fees

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<td>Housing &amp; Food</td>
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<td>+$411</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$18,525</strong></td>
<td><strong>$19,281</strong></td>
<td><strong>+$756</strong></td>
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</tbody>
</table>
FY13 Capital Budget

• Capital projects are funded primarily by three sources
  – CSUS 2020 – 10-year bond program
  – CHEFA
  – University monies (smallest source)
FY13 Capital Projects

- Visual and Performing Arts Center
- Grasso Hall room renovations
- Midtown boiler replacement
- Westside Classroom Building public areas (floors 2 & 3)
- Litchfield Hall renovations (design phase)
- Police station (design phase)
- New Westside parking garage (design phase)
- Higgins/Higgins Annex tuck-pointing
- Haas fire pump
- White Hall steam line
- Many others, smaller in scope
Discussion and Q&A
Final Words

• Let’s keep working together
• Thank you for your interest and time