University Strategic Alignment Process (USAP) Budget

Town Hall Meeting
November 21, 2014
AGENDA

• Update on USAP
• IPFW Financial and Budget Information
• USAP’s Relationship to the Budget
• Q&A
USAP Update

• Unit meetings completed
• Software training and access
• Task force outcomes
• Next report due October 31, 2015
Total Budget - Overview

- 2012-13: $187,139,536
- 2013-14: $183,239,990
- 2014-15: $181,457,944
Sources of Revenue

- State Appropriations
- Debt Appropriations
- Student Fees
- Sponsored Program Overhead Recovery
- Interest Income
- Income from Continuing Studies
- Administrative Charges from one department to another
- Admission Application (and similar) fees
- Sales and Services
- Gifts
- Endowment Income
- Sponsored Program Income
IPFW Revenue

General Fund = 59.4% of total budget
$107.9 Million

Restricted Funds = 40.6% of total budget
$73.6 Million

Operating Appropriations, $39.0
Tuition, $60.4
Student Aid, $37.6
Auxiliary, $17.0
Other, $10.4
Interest Income, $1.2
Facilities & Admin Recovery, $0.2
Debt Appropriations, $5.3
Federal Sponsored Programs, $1.2
Non-Federal Sponsored Programs, $0.9
State Line Items, $2.3
Income Producing + Other Revenue, $1.7
Gifts, $4.2

*in millions
General Fund

2012-13: $112,366,831
2013-14: $111,041,910
2014-15: $107,855,211
Sources of Expenses

- Salaries & Wages (S&W), Supplies & Expenses (S&E)
  - Academic Areas
  - Support Areas
    - Financial Affairs, SAEM, Chancellor, Advancement

- Unavoidables
  - Benefits, Debt, Fee Remissions, Fuel, Repair & Rehabilitation

- Auxiliary

- Student Aid
Total Budgeted Expenditures

- **Total Academic Affairs, $51.0, 28%**
- **Total Support Areas, $35.5, 20%**
- **Student Aid, $37.8, 21%**
- **Auxiliary, $17.0, 9%**
- **Unavoidables, $40.3, 22%**

*In millions*
Expenditures by Area

**Academic Affairs – 28%**
- COAS, $14.1, 28%
- DCS, $10.3, 20%
- Library, $1.9, 4%
- IU Med, $0.6, 1%
- Academic Reserves, $4.0, 8%
- EPP, $3.1, 6%
- ETCS, $6.2, 12%
- VPA, $3.2, 6%
- HHS, $4.4, 9%

**Support Areas - 20%**
- Administration, $13.0, 36%
- IT, $4.3, 12%
- Facilities, $7.3, 21%
- Student Services, $6.4, 18%
- Advancement, $2.5, 7%
- Engagement, $0.1, 0%
- Tech Reserves, $2.0, 6%

**Total Expenditures**
- $51.0 Million
- $35.5 Million
Office of Budget and Planning

• Implement a coherent, bottom-up budgeting process that aligns with Plan 2020

• Monitor budget variances on an ongoing basis

• Align short and long-term initiatives with budget

• Chair 2nd year of University Budget Committee
# Purdue Budget Cycle

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<th>Phase</th>
<th>Time Period</th>
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<td>July - March</td>
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<td>Preparation</td>
<td>April – May</td>
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<td>Review and Approval</td>
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<td>June - September</td>
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<td>Monitoring</td>
<td>July – June (ongoing)</td>
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Current Challenges

• Decline in funding due to lower enrollment
• Potential state rescission of operating dollars
• Competition based on changing delivery models
• Economic and demographic changes in region
USAP’s Relationship to the Budget

• Make recommendations related to alignment with and progress toward Plan 2020 goals (e.g., identify university goals that need more focused attention from more units to be achieved, find gaps that are not being addressed)

• Identify unit goals with potential to have a strong impact on Plan 2020 goals

• Recommend possible collaborations or shared responsibility to create efficiencies

• Recommend changes to lead to increased operational effectiveness

• Going into the future, USAP will use the qualitative and quantitative data generated by units to give the UBC a broader picture to consider in making their budget recommendations.
Questions & Answers