

FY2019

Annual Operating Budget

July 2018



University of Massachusetts

Amherst • Boston • Dartmouth • Lowell • Medical School • UMassOnline



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Executive Summary

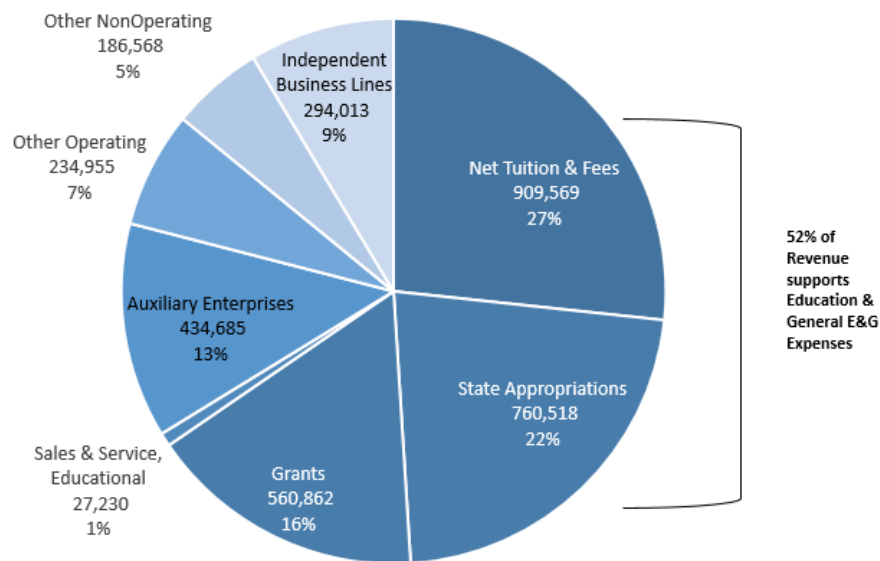
The FY19 Operating budget for the University totals \$3.3 billion, an increase of \$102.4 million or 3.1% over the FY18 year-end projection.

(\$ in Thousands)

Campus	FY2019 BUDGET			
	Total Revenue	Total Expenses	OM\$	OM%
Amherst	1,293,962	1,282,143	11,819	0.9%
Boston	436,501	436,501	-	0.0%
Dartmouth	262,883	260,074	2,809	1.1%
Lowell	473,310	470,143	3,167	0.7%
Medical School	892,288	874,386	17,902	2.0%
Central	123,281	121,650	1,631	1.3%
Total	3,401,247	3,363,919	37,328	1.1%

The budget reflects the unique needs of each of the System’s five campuses and the system level priorities. The budget relies on certain system-wide assumptions regarding State investments, student tuition and capital planning while also accounting for individual campus needs to support enrollment and staff.

Approximately 52% of the budget is for the University’s core education and general operations and is supported primarily from the State appropriation and tuition and fee revenue. The remaining components of the University’s budget are for self-supporting activities such as grants and contracts, sales and services, and auxiliary services. These funds, by their nature, generate revenues to support their activities.





The revenue and expense components of the budget are detailed in the following pages.

UMass Overview

The University is a state coeducational institution for higher education with separate campuses at Amherst, Boston, Dartmouth, Lowell and Worcester in The Commonwealth of Massachusetts (the “Commonwealth”). The University was established in 1863 in Amherst, under the provisions of the 1862 Morrill Land Grant Acts, as the Massachusetts Agricultural College. It became known as the Massachusetts State College in 1932 and in 1947 became the University of Massachusetts. The Boston and Worcester campuses were opened in 1965 and 1970, respectively. The Lowell and Dartmouth campuses (previously the University of Lowell and Southeastern Massachusetts University, respectively) were made a part of the University by a legislative act of the Commonwealth, effective September 1, 1991.

The University’s core mission is *“to provide an affordable and accessible education of high quality and to conduct programs of research and public service that advance knowledge and improve the lives of the people of the Commonwealth, the nation and the world.”*

The University’s five campuses are geographically dispersed throughout the Commonwealth and possess unique and complementary missions. In addition, the University has a system-wide online education consortium called UMass Online.

The University offers a broad spectrum of academic programs, granting Bachelor of Arts degrees in over 60 fields, Bachelor of Science degrees in over 50 fields, and bachelor’s degrees in a number of other areas, including Fine Arts and Business Administration. Master of Arts degrees are granted in more than 25 fields, Master of Science degrees in over 45 fields and a variety of other master’s degrees are granted in specialized areas including Education, Teaching, Business Administration and Public Health. In addition to the foregoing, the University grants Doctor of Philosophy degrees in over 50 fields, as well as Doctor of Education, Doctor of Science, Doctor of Engineering, Juris Doctor, and Doctor of Medicine degrees. The academic resources of the University are also accessible to part-time students, to local, national and international businesses, and to the general community through the continuing education programs.

Each campus of the University is accredited by NEASC, the major accrediting body for institutions of higher education in New England. The Amherst, Boston, Dartmouth, Lowell and Worcester Campuses are accredited through 2018, 2025, 2020, 2023 and 2020, respectively. The Medical School at the Worcester Campus is a member of the Association of American Medical Colleges and was given full accreditation through the 2019-2020 academic year by the LCME, the major accrediting body for programs leading to the M.D. degree. In addition to the foregoing, individual schools and academic programs are accredited by the appropriate agencies in their particular fields.



The Times Higher Education World University Rankings, considered the most rigorous and influential comparison of universities internationally, ranked the UMass system among the 60 best public universities in the nation and as the No. 1 public university in New England. For the second consecutive year, all four UMass undergraduate campuses placed in the top category of U.S. News & World Report's Best Colleges rankings – making UMass one of the few university systems in the nation to have each campus so acclaimed. The Amherst campus is ranked 29th among public universities in the nation in U.S. News & World Report's Best Colleges rankings. UMass Lowell, which has been lauded in recent years for its rapid rise in the rankings, ranks 80th among public universities nationally and 156th overall. UMass Boston rose sharply in the 2018 rankings, climbing to 202nd overall. UMass Dartmouth, which emerged as a National University for the first time last year, ascended to 207th overall. In U.S. News & World Report's Best Graduate Schools list, UMass Medical School ranks No. 1 in New England and No. 14 in the nation for primary care education. UMass Medical School also ranks 50th in the research category. UMassOnline have earned coveted spots in several categories in the U.S. News & World Report and GetEducated.com Best Buy rankings. Adding to its world-class reputation, total research and development expenditures at the University reached approximately \$670 million in fiscal year 2017.

Under the General Laws of the Commonwealth, the University is governed by a Board of Trustees under the coordinating authority of the Commonwealth's Department of Higher Education (DHE). The day-to-day operations of the University are directed by a team of administrative officers of the University, the chief executive officer being the President of the University.

The General Laws give the University Trustees the authority to govern the University and to appoint the President, the Chancellors, and other officers and members of the professional staff. The General Laws also grant to the University Trustees the legal right to establish and manage non-appropriated funds, which funds include, for example, certain student fees, grants and contracts, and funds used to support certain self-sufficient operations within the University. The University Trustees consist of 19 voting members and three non-voting members. Seventeen voting members of the University Trustees are appointed by the Governor of the Commonwealth. One of these appointees is the Secretary of Education, as mandated by Chapter 27 of the Acts of 2008 and at least five of those appointed must be alumni of the University and one must be a representative of organized labor. Two of the voting members are full-time students of the University and three additional full-time students act as non-voting members. The student members are elected annually from each of the five campuses and the two voting student positions are rotated annually among the members representing the five campuses. The University Trustees, except for the student members, serve five-year staggered terms, and are eligible for reappointment for an additional five-year term.

The President is responsible for implementing the policies of the University Trustees and for providing leadership for the activities and operations of the University. The President's Office is



responsible for the development of academic and financial policies, overall coordination of University activities, and certain University-wide operational activities, including Internal Audit, the General Counsel's office, the Treasurer's and Controller's functions, Information Systems, and Human Resources.

Budget Planning Process

The University has developed a coordinated budget planning process that allows for consistency in the assumptions surrounding certain budget inputs that affect all of the campuses while also allowing for the campus budgets to incorporate the unique qualities that affect their revenues and expenditures. The Statement of Revenues, Expenses and Changes in Net Position format is used. Audited Financial Statements are used to include actuals for FY17 for each campus along with FY18 projected and FY19 budgeted.

In order to ensure that consistent assumptions are made on budget inputs that impact all of the campuses, the President's Office provides guidance to campuses at the beginning of the budget development process around tuition, state appropriation, employee benefits (fringe, health and welfare, collective bargaining), investment income, debt service schedules and interest rates for new borrowing, and inflation.

For each campus, enrollment and employee FTE assumptions are unique factors that vary based on programs provided and strategic planning efforts. The assumptions included around these budget inputs are critical and therefore must account for the specific needs of each campus.

Further information on the assumptions used to develop the FY19 budget are included on the following pages along with budget detail tables at both the University level and the campus level.

Budget Administration Overview

The budget is developed and administered in accordance with Board of Trustee Policy T92-031 entitled "Policy for Management of University Funds". This policy stipulates that an annual operating budget for the University be prepared and approved by the Board of Trustees each fiscal year and that the University's Senior Vice President for Administration & Finance is responsible for planning and coordinating the budget process for the University. In addition to the budget, this policy specifies expenditure authority, guidelines and criteria, official records, internal controls, and reporting requirements of the University and its campuses.

From a practical standpoint, this Board policy is implemented through coordination between the Senior Vice President for Administration and Finance and Treasurer within the President's Office and the Vice Chancellors for Administration and Finance at each of the campuses. Reporting to the Senior Vice President for Administration and Finance and Treasurer are the following departments that support the sound fiscal management of the University:



- Office of Management and Fiscal Affairs – Serves as the central coordinating point for the budget process, capital plan, debt service, reports on the financial forecast and financial indicators and financial aid, and development and coordination of the *Efficiency & Effectiveness* initiatives. This department works directly with the campuses on these efforts and also serves as a liaison to the State Administration and Legislature.
- Controller’s Office – Coordinates and prepares the University’s annual financial statements, manages the general ledger and financial reporting structure, develops and implements financial policies, and maintains the financial accounting for the University.
- Treasurer’s Office – Responsible for University cash management and oversight, risk assessment and insurance management, and tax policy and reporting. This function is fully centralized within the President’s Office and not duplicated on any campus.
- Procurement Office – Coordinates University-wide contracting, develops spend analytics for use by the campuses, develops and implements purchasing policies and guidelines compliance, and researches and implements purchasing tools and services to create efficiencies system-wide.
- Human Resources – Collaborates with campus Human Resources teams to develop and implement policies and practices across the full range of HR functions, including recruiting, engagement, total rewards, payroll, trainings, organizational development, Human Resources Information Systems, Equal Employment Opportunity, and Labor and Employee Relations.
- Enterprise Risk Management – Proactively manages a portfolio of risks through identification, assessment, and prioritization developing mitigation measures and communications plans to reduce the chance of loss, create greater financial stability, and protect our resources.

Board Policy [T92-031](#) can be found in its entirety using the hyperlink or on the Board of Trustees’ website at <http://www.massachusetts.edu/bot/> under the “Policies and Guidelines” section of the page.

Basis of Budgeting

The University’s Operating Budget is reported in a modified accrual-based budget report format. This format reflects the “view” of information that is consistent with the audited financial statement format and the annual financial projection for revenues and the natural classification of expenses. The natural classification view improves the ability to compare between institutions and also summarizes certain expenses that are often researched such as salary and benefit costs.

Budget Calendar

The University’s fiscal year, like that of the Commonwealth, is from July 1 through June 30. Throughout a given fiscal year, activities are occurring in support of reporting on the prior year, managing the current year and developing the subsequent year that make the budget cycle continuous. At the start of the fiscal year, July 1st, the University implements the budget that has



been approved by the Board of Trustees and supported by State through its separate budget process. At the same time, the University undertakes its financial forecast process which develops assumptions for budget inputs and projects revenues and expenses over a five-year period. Utilizing the financial forecast, the University calculates key financial ratios over the five-year period to help analyze the fiscal health of the organization and to help make current year decisions. This information is presented to the Board of Trustees at the September meeting and is used as the basis for the next fiscal year budget request to the State.

During this timeframe, the University's prior year financial statements are completed. Additionally, under President Meehan's leadership, a process for reviewing quarterly budget to actual revenues and expenses and a year-end forecast has been added in order to identify issues and make corrective actions prior to the end of the fiscal year. The University develops and submits its budget request for the next year to the Executive Office for Administration and Finance typically in November. This request provides an overview of current year activities as well as next year initiatives and funding needs.

In January of each year, the Governor makes funding recommendations to the Legislature. The University also has the opportunity to request funding through the Legislative budget process through an official request that occurs in approximately February of each year.

As the State budget process progresses through the Legislature with the House budget in April and the Senate budget in May, the University progresses with their budget development process. The President's Office develops key assumptions for the campuses to ensure consistency while the campuses develop funding needs based on enrollment, staffing, and specific campus initiatives. This part of the process requires the submission of tuition and budget tables that report on revenue and expense needs of the campuses. This information is compiled and reviewed by the President's Office and reported to the Board at the June meeting of the Board of Trustees.

Throughout the fiscal year, besides the operating budget process, several other important financial management tasks are underway including the capital plan, quarterly capital report to the Board, and annual financial aid reporting.

FY18 Budget Update

In FY17, President Meehan instituted a quarterly reporting process in order to evaluate budgeted to actual revenues and expenses, enrollment and employee levels across the system. In addition the report required an estimated year-end forecast in order to determine if this System was on track against the budgeted margin. Lessons learned through the quarterly reporting process have led to the implementation of additional best practices including a review and update of current policies, deployment of PeopleSoft functionality for employee tracking and an A&F Executive dashboard to provide more real-time information to System and Campus leaders.



The University's budgeted Operating Margin for FY18 was \$5.5 million or 0.2%. As of the FY18 Q3 report there is improvement from the budgeted margin for all campuses. The Q3 report reflects the 2% collective bargaining increase as of July 1, 2017; This adds a total \$30.5 million in expense of which \$14.1 million in State support is added. It is assumed that this funding will be provided through a supplemental budget once the contracts are ratified. Every campus has implemented reductions to support their target for FY18. Based on these changes, the year-end projected operating margin for the System is estimated at \$42.4 million or 1.3%. Note that this does not include the expense related to GASB 68 estimated at \$32.9 million. Additionally, Fall Enrollment was 58 FTEs below budget with Amherst and Lowell experiencing higher than budgeted enrollment while Boston, Dartmouth and the Medical School enrollment below budgeted assumptions.

Campus	FY2018 BUDGET				Q3 FY2018 PROJECTION				PROJECTION vs. BUDGET
	Total Revenue	Total Expenses	OM\$	OM%	Total Revenue	Total Expenses	OM\$	OM%	OM\$ Change
Amherst	1,243,383	1,239,377	4,006	0.3%	1,256,254	1,237,999	18,255	1.5%	14,249
Boston	431,135	436,135	(5,000)	-1.2%	428,300	431,300	(3,000)	-0.7%	2,000
Dartmouth	251,717	251,175	542	0.2%	250,021	248,330	1,691	0.7%	1,149
Lowell	456,934	454,350	2,584	0.6%	459,773	455,166	4,607	1.0%	2,023
Medical School	909,991	907,932	2,059	0.2%	865,887	847,958	17,929	2.1%	15,870
Umass Online Service	5,873	5,335	538	9.2%	6,805	6,812	(7)	-0.1%	(545)
Central	110,761	110,023	737	0.7%	116,459	113,532	2,927	2.5%	2,190
Total (2)	3,333,968	3,328,502	5,467	0.2%	3,303,858	3,261,455	42,403	1.3%	36,936

(1) Reflects operating costs of Umass Online; total Online revenue estimate for FY18 = \$117 million

(2) Total Expenses does not include GASB 68 estimated at \$32.9 million

FY19 Budget Challenges

The University, like most organizations has identified the major expense drivers which must be funded during the budget process. For many other public institutions, these are costs that are supported through State resources. However, with limited State funding increases to other revenues must support these drivers including:

- Salaries, Wages and Fringe – These make up 58% of the University's total budget with the majority of the increase driven by collective bargaining and the fringe rate, which are determined by the State. The University employs over 15,200 employee FTEs and the campuses are among the largest employers in the regions they serve.
- Capital Support – Capital expenses such as depreciation and interest make up 12% of the University's total budget and support necessary investments that maintain our campuses and meet the growing needs of the University.
- University Financial Aid – The University continues to make record high investments in financial aid in order to address the needs of our student body and to help students lessen their debt burden at graduation. As a University, we continue to meet close to 90% of In-State Undergraduate Need – meaning the percentage of need that was met of students who were awarded need based financial aid. The University strives to be



accessible to our residents and therefore continues to invest in financial aid programs for our students.

Pending final approval by the Legislature and Governor, the FY19 General Appropriations Act is anticipated to include an appropriation of \$518.6 million which is a \$5 million or 1% increase over last year. The University continues to advocate for its share of collective bargaining funding from the State for the contract period that began in FY18-20.

FY19 State Budget

(\$ in Thousands)

FY18 Funding	513,545
University Request	584,848
Governor	518,667
House	518,667
Senate	518,917
FY19 Budget	518,667

In addition, the University works to limit tuition increases in order to maintain access and affordability to our students. Given that the University’s Educational costs are funded by student tuition and State funds, limited increases in these revenues require cost containment measures in order to maintain a balanced budget.

FY19 Budget Overview

The annual budget for the University is a plan for the fiscal year that incorporates the unique needs of each of the campuses while maintaining affordability and quality. It includes costs that continue to rise to support needs of the campuses such as increased employee contracts and fringe benefits, financial aid, and capital costs that must be factored into the annual budget plan. To offset some of these non-discretionary increases, the University’s E&E efforts have achieved meaningful savings at each of the campuses that can then be used to support some of the increases within the budget. At the campus level, plans have been developed to balance the budget with some known deficits allowed for specific reasons.

Campus	FY2019 BUDGET				FY2018 PROJECTION				FY19 BUDGET vs. FY18 PROJECTION
	Total Revenue	Total Expenses	OM\$	OM%	Total Revenue	Total Expenses	OM\$	OM%	OM\$ Change
Amherst	1,293,962	1,282,143	11,819	0.9%	1,256,254	1,237,999	18,255	1.5%	(6,436)
Boston	436,501	436,501	-	0.0%	428,300	431,300	(3,000)	-0.7%	3,000
Dartmouth	262,883	260,074	2,809	1.1%	250,021	248,330	1,691	0.7%	1,118
Lowell	473,310	470,143	3,167	0.7%	459,773	455,166	4,607	1.0%	(1,440)
Medical School	892,288	874,386	17,902	2.0%	865,887	847,958	17,929	2.1%	(27)
Central	123,281	121,650	1,631	1.3%	123,264	120,344	2,920	2.4%	(1,289)
Total	3,401,247	3,363,919	37,328	1.1%	3,303,858	3,261,455	42,403	1.3%	(5,075)



FY19 Revenues and Expenses

The University's financial operations consist of five major expense categories: Educational and General, Research, Public Service, Auxiliary Enterprises, and Other. The Educational and General expense budget includes academic programs, student services programs, academic and institutional support programs, physical plant operations and financial aid. These activities are funded from student tuition, State appropriations, and some other smaller revenue sources. Research, Public Service and "Other" activities are funded by grants and contracts. Auxiliary Enterprises are a set of self-sufficient services ancillary to the general educational mission of the University. These include such items as dining and residence halls, student health services and parking facilities. The University reviews fees annually with the goal of having the Auxiliary Enterprises budget be self-sufficient.

Revenue

The University maintains diverse revenue sources to support overall operations including revenues that directly support educational costs and revenues that support research, public service activities and self-supported or auxiliary operations. The major revenue assumptions for FY19 include:

- Enrollment growth of 1.9% estimated to generate \$15.1 million
- State Appropriation:
 - Flat appropriation; increase reflected related to Fringe Rate
 - State share of collective bargaining not assumed nor are expenses reflected pending sufficient State funds provided; Appropriation increase in FY19 Conference budget (\$5.1 million) could offset a portion of costs
- Tuition increases:
 - In State Undergraduate = 2.5%; \$10.1 million
 - Out of State and Graduate = 3.0%; \$8.6 million
- Minimal changes to non-mandatory fees = \$1.7 million (total non-mandatory fees are 7% of overall net tuition revenue)

FY19 budgeted revenues total \$3.4 billion consisting of the following Operating and Non-Operating revenue sources:

- Tuition & Fees – This category represents all tuition and fees net of financial aid provided to students. Tuition and mandatory fees are set by the University's Board of Trustees while other fees are approved by the President. During years of declining State support for the University, fees were increased to continue to support educational needs. Changes to the tuition category of revenue are also driven by changes in enrollment. For FY19, in-state undergraduate tuition rates have been proposed to increase by 2.5%; \$376 at Amherst, \$338 at Boston, \$329 at Dartmouth, and \$360 at Lowell along with increases in other fees at the campuses in support of specific campus costs and initiatives. Detailed



Tuition and fee schedules are provided for each campus in the Appendices included in this report. In summary, the increases in tuition at each campus are as follows:

	In State UG	Out of State UG	Grad
Amherst	2.5%	3.0%	3.0%
Boston	2.5%	3.0%	3.0%
Dartmouth	2.5%	3.0%	3.0%
Lowell	2.5%	3.0%	0.0%
Medical	N/A	N/A	2.6%

- State Appropriations – This revenue category includes the direct State Appropriation as published in the annual State budget along with fringe benefit support for State funded employees. The University budget has been developed in accordance with the appropriation anticipated in the FY19 GAA pending final approval. The fringe rate for FY19 has been set by the State at 34.89%. For those employees funded using the State revenues in this category, the State directly supports their fringe benefits costs.
- Grants – These revenues (Government, Local and Private) are grants provided by these sources in support of a specific purpose that is generally tied to the Research expenses of the University. Over the past few years, campuses have experienced relatively flat revenues or decreases in these categories due to Federal budget cuts and sequestration. The Amherst and Medical School campuses represent 75% of the total revenues in this area and have been the most impacted by the experienced reductions. These revenues support employees and when reduced or eliminated, campuses balanced expenditures by using reserve funds, internal loans from other sources, or staff layoffs to eliminate the function.
- Auxiliary Services – These revenues support all revenue generating operations at the campuses including Housing, Dining, Parking, among others. Revenues are generated through fees recommended by the campuses and approved by the President. Each campus develops a budget for these services provided in order to develop reasonable rates. The goal is for all Auxiliary services to be self-supporting operations however in order to keep costs to students low and increases reasonable, some services are subsidized with general revenues. Amherst, Dartmouth and Lowell are projecting increases to this category due to fee increases and utilization.
- Independent Business Lines – These revenues represent the business lines of the Medical School which include: Commonwealth Medicine which partners with public health and human services agencies to maximize federal support of health related expenditures and MassBiologics which is an FDA-licensed manufacturer of vaccines that works to improve



public health through applied research, development and production of biologic products, including vaccines, plasma derivatives and most recently, monoclonal antibodies.

- Sales & Service, Educational – These are revenues that are related to the conduct of instruction, research, and public service and revenues from activities that exist to provide an instructional and laboratory experience for students that create goods and services that may be sold.
- Other Non-Operating Revenues – This revenue includes:
 - Gifts – public and private gifts used in current operations, excluding gifts for capital acquisition and endowment gifts. The University continues to have several aggressive fundraising campaigns underway.
 - Return on Investments & Endowment – estimated by the Treasurer’s Office based on a five-year income projection including total projected unrealized gains. Assumptions included are the Operating Cash Return estimated at 1.19%.

<i>(\$ in Thousands)</i>	Budget FY2019	Projection FY2018	Variance \$	%	Actual FY2017
Gross Tuition & Fees	1,237,733	1,179,274	58,458	5.0%	1,136,540
Tuition Discounts	(328,164)	(309,588)	(18,575)	6.0%	(288,708)
Net Tuition & Fees	909,569	869,686	39,883	4.6%	847,832
Grants	560,862	558,839	2,023	0.4%	560,082
Sales & Service, Educational	27,230	27,206	24	0.1%	28,910
Auxiliary Enterprises	434,685	417,100	17,585	4.2%	400,822
Other Operating	234,955	225,694	9,261	4.1%	233,717
State appropriations	760,518	752,924	7,594	1.0%	720,817
Other NonOperating	186,568	183,788	2,780	1.5%	195,089
Independent Business Lines (1)	294,013	277,769	16,244	5.8%	371,618
Total Revenue (2)	3,408,400	3,313,007	95,393	2.9%	3,358,887

(1) Revenues associated with UMMS Commonwealth Medicine and MassBiologics

(2) Operating Margin calculation does not include unrealized gains which are included in Total Revenue above

Expenses

The University’s spending needs are driven by enrollment, employee costs such as collective bargaining and fringe benefits, financial aid and capital investments. All of these costs support the overall education experience of the University’s students. Although the University as a whole as well as each campus has implemented and continues to explore efficiency projects that help save meaningful dollars, costs continue to increase in the areas outlined below that must be accommodated. The major expense assumptions for FY19 include:



- University funded Financial Aid increases to meet student need.
- Fringe Benefits: \$17.0 million increase for State mandated fringe rate which increases to 36.62%; \$7 million supported by the State.
- Collective Bargaining:
 - Only University Funded obligation, \$16.8 million, assumed; not \$14.4 million State obligation.
 - Total Annual cost of \$31.1 million; Cumulative cost of \$60.2 million.
- Non-personnel expenses increased by 3.3% results in \$30.3 million increase; increase in non-personnel for E&G totals \$10.0 million.
- Depreciation and interest assumptions reflect current approved Capital Plan.

FY19 budgeted expenses total \$3.3 billion consisting of the following:

- Salaries & Fringe – This category includes salaries and all other compensation including health insurance and collective bargaining costs for full and part time faculty and staff who support all campus and system office operations. This category increases by 2.4% for FY19 largely due to the annualized value of collective bargaining contracts from prior years and fringe with a small remainder for faculty and staff needs of the campuses in support of specific initiatives.
- Non-Personnel Expense – This category includes all non-salary related expenses for campus operations such as utilities, plant operations, media services, technology and supplies to support academic instruction and student support services. This category increases by 3.3% mainly in the area of operation and maintenance of plant as new facilities are brought on line as part of the capital plan investments.
- Scholarships and Fellowships – This category includes grants-in-aid, trainee stipends, and tuition and fee waivers. This should not be confused with tuition and fee discounts and allowances (financial aid) that is recorded as a discount to revenues. For FY19, this category increases 2.9% mainly to support enrollment increases and the additional scholarship and fellowship opportunities needed to accommodate more students.
- Depreciation – This category includes all facility depreciation expenses in accordance with the University's capitalization and depreciation policies. For FY19, this expense grows by 6.6% due to the new facilities brought on line that must be accounted for in the campus depreciation schedules.
- Interest – This category includes the cost of bond and note borrowings utilized to finance capital projects. Principal payments are not included in this category nor are they shown on the SRECNP view of the budget.



*FY19 University Operating Budget
July 13, 2018*

<i>(\$ in Thousands)</i>	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Salaries & Fringe	1,962,973	1,916,478	46,495	2.4%	1,846,879
Non-personnel	942,706	912,390	30,317	3.3%	1,019,065
Scholarships and fellowships	54,639	53,086	1,553	2.9%	47,710
Depreciation	278,941	261,669	17,273	6.6%	249,669
Interest	124,659	117,833	6,826	5.8%	110,069
Total Expenses	3,363,919	3,261,455	102,464	3.1%	3,273,392

Key Financial Ratios

Operating Margin Ratios

The operating margin measures whether or not the University lived within its means during the year and what potential level of reserves were set aside. It compares the University's revenue (excluding unrealized gains or losses) to expenses. Because the University reports its budget based on the financial statement view, depreciation is included in the total expenses while debt service and capital expenditures are not.

	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	4.4%	2.8%	4.1%	3.0%	0.3%	1.5%	0.9%
Boston	2.7%	0.5%	-1.3%	-0.7%	-1.2%	-0.7%	0.0%
Dartmouth	-1.5%	2.8%	3.1%	3.4%	0.2%	0.7%	1.1%
Lowell	1.0%	0.8%	0.2%	2.2%	0.6%	1.0%	0.7%
Medical	-3.6%	-4.2%	-1.1%	3.2%	0.2%	2.1%	2.0%
Central	14.7%	-1.5%	0.7%	6.4%	1.1%	2.4%	1.3%
University	1.2%	0.1%	0.2%	1.6%	0.2%	1.3%	1.1%

In order to adjust the operating margin to reflect a report on a cash basis, total expenses are adjusted to exclude depreciation and add back debt principal and capital expenses. This view is a more accurate reflection of expenses in a given fiscal year.

	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	15.2%	14.6%	15.6%	14.8%	13.4%	14.0%	13.6%
Boston	8.0%	6.4%	5.4%	7.1%	7.6%	7.1%	10.5%
Dartmouth	7.6%	12.5%	12.1%	13.9%	9.7%	10.2%	11.1%
Lowell	11.8%	13.3%	12.8%	14.6%	13.9%	13.9%	13.6%
Medical	7.6%	8.4%	8.7%	12.8%	11.0%	13.4%	13.2%
Central	19.4%	14.6%	17.0%	17.7%	10.7%	9.1%	8.9%
University	11.5%	11.0%	12.0%	13.6%	12.0%	12.6%	13.1%



Debt Ratios

The Debt Service Burden Ratio is a key tool in measuring debt affordability and is considered a key financial indicator for any institution using debt. This ratio examines the institution’s dependence on borrowed funds as a source of financing its mission and the relative cost of borrowing to overall expenditures. It compares the level of current debt service with the institution’s total expenditures. By maintaining an appropriate proportion of debt service to total expenses, other critical and strategic needs can be met as part of the expense base. By keeping debt service within the Board-imposed limit, the University will ensure that debt service remains affordable and future debt does not impact existing programs. Many institutions of higher education have developed formal debt policies establishing debt service burden caps. This metric is used by Fitch and S&P in their rating decisions; by the Commonwealth in its debt affordability policy; and by many institutions of higher education (including University System peers) as a financial indicator.

	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	6.2%	6.4%	6.4%	6.6%	6.5%	6.5%	6.7%
Boston	4.5%	5.2%	4.9%	5.9%	5.9%	5.8%	6.9%
Dartmouth	8.5%	9.3%	8.4%	7.8%	7.1%	7.5%	7.1%
Lowell	6.3%	7.6%	7.5%	7.3%	7.7%	7.7%	7.4%
Medical	5.6%	6.2%	5.2%	6.0%	5.9%	6.3%	6.1%
Central	0.1%	3.1%	3.7%	3.4%	3.4%	3.4%	5.8%
University	6.0%	6.6%	6.1%	6.5%	6.5%	6.6%	6.8%

The Debt Service Coverage ratio measures the excess of income over adjusted expenses available from current year operations to cover annual debt service payments. This is an important ratio because it indicates that the institution has a net revenue stream available to meet its debt burden should economic conditions change. A high ratio is considered advantageous, while a low ratio or declining trend gives reason for concern regarding the institution’s ability to sustain its operations, especially in the face of future budgetary challenges. This metric is used by Fitch in its rating decisions.



*FY19 University Operating Budget
July 13, 2018*

	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	2.5	2.3	2.5	2.3	2.1	2.2	2.0
Boston	1.7	1.2	1.0	1.1	1.2	1.2	1.4
Dartmouth	0.8	1.3	1.4	1.8	1.3	1.4	1.5
Lowell	1.8	1.7	1.7	2.0	1.8	1.8	1.8
Medical	1.3	1.3	1.7	2.2	1.9	2.2	2.2
Central	N/A	4.7	4.6	5.6	2.4	2.7	1.6
University	1.9	1.6	1.9	2.1	1.8	1.9	1.9

Note: FY14-FY17 does not tie to Moody's due to principal amounts used in Moody's calculation

The Spendable Cash & Investments to Operating Expenses measures the extent to which a university can rely on wealth that can be accessed over time or for a specific purpose to operate without earning any additional revenue. This metric is of particular importance during periods of financial stress when revenue may be subject to volatility. This metric is used by Moody's in its rating decisions.

	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	0.43	0.46	0.42	0.46	0.41	0.41	0.41
Boston	0.39	0.33	0.20	0.19	0.14	0.17	0.18
Dartmouth	0.15	0.16	0.17	0.20	0.20	0.20	0.21
Lowell	0.36	0.34	0.34	0.31	0.30	0.24	0.22
Medical	0.26	0.33	0.23	0.30	0.31	0.35	0.35
Central	2.18	1.83	1.44	1.86	1.70	1.63	1.64
University	0.41	0.43	0.35	0.39	0.37	0.38	0.38



Staffing Overview

The University budgeted for 15,253 FTEs which includes full and part-time faculty, professional and clerical and maintenance support staff, of which 70% are covered by collective bargaining units including faculty, professional staff, clerical and maintenance support staff and police officers. In total, the University currently has 41 collective bargaining units (including three post-doctoral employee units, three graduate employee units and one undergraduate resident assistants' unit). The University is seeking to execute collective bargaining agreements that cover the period from July 2017 through July 2020 with most of its employee unions.

FY19 Employee FTE Report				FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE					(1)	(1)
Restricted	Unrestricted		Totals	Totals	Totals	
1,959	13,048		15,311	14,618	14,435	
Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary				
1,959	10,418	2,630	15,311	14,618	14,435	
FUNCTIONAL EMPLOYEE CATEGORIES						
Faculty	320	3,866	13	4,200	3,945	3,837
Staff	1,639	6,552	2,616	11,111	10,673	10,598
Executive / Administrative / Managerial	24	469	85	577	574	576
Professional Non Faculty	1,333	3,618	1,084	6,035	5,968	5,756
Secretarial / Clerical	72	1,113	299	1,484	1,490	1,504
Technical / Paraprofessional	200	599	222	1,021	1,004	948
Skilled Crafts	-	260	184	444	437	433
Service / Maintenance	10	494	744	1,247	1,191	1,167

Student Enrollment Overview

Admission to the University is open to residents and non-residents of the Commonwealth on a competitive basis.

For FY19, University enrollment increases by 1.9% to 65,760 FTEs. Each campus is projecting modest increases in enrollment driven by strategic efforts at each campus to recruit students. The Amherst campus is committed to attracting and retaining high-quality students to expand their In-State and Out-of-State Undergraduate population. In Boston, efforts are being made to expand while also increasing student diversity and strengthening the quality of the student body. The Dartmouth campus is increasing enrollment to reflect Mt. Ida students who have committed to the campys. The Lowell campus is expanding in-state, out-of-state, and international enrollments and is focused on increasing the retention and persistence of current students to maintain enrollment levels. The Medical School has begun enrolling out of state students while maintaining its commitment to Massachusetts residents.



<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Amherst	29,189	28,711	28,339	27,697
<i>Amherst Growth</i>	1.7%	1.3%	2.3%	
Boston	13,188	13,036	13,013	13,137
<i>Boston Growth</i>	1.2%	0.2%	-0.9%	
Dartmouth	7,436	7,286	7,509	7,711
<i>Dartmouth Growth</i>	2.1%	-3.0%	-2.6%	
Lowell	14,836	14,424	13,905	13,621
<i>Lowell Growth</i>	2.9%	3.7%	2.1%	
Medical	1,111	1,074	1,073	1,056
<i>Medical Growth</i>	3.4%	0.1%	1.6%	
University	65,760	64,531	63,839	63,221
<i>University Growth</i>	1.9%	1.1%	1.0%	

It is important to note that enrollment can be viewed in several ways including but not limited to headcount, Fall FTE and annualized FTE. For the purposes of the budget presentation, the University utilizes the Fall FTE view as published in the annual student profile. The full report of the [Annual Student Profile](http://www.massachusetts.edu/ir/irannualpublications.html) provides definitions of the various views of enrollment and can be found here: <http://www.massachusetts.edu/ir/irannualpublications.html>



FY19 University Operating Budget
July 13, 2018

(\$ in Thousands)

Revenues	UNIVERSITY					
	Budget	Budget	Projection	Variance		Actual
	FY2019	FY2018	FY2018	\$	%	FY2017
Gross Tuition & Fees	1,237,733	1,184,029	1,179,274	58,458	5.0%	1,136,540
Tuition Discounts	(328,164)	(300,484)	(309,588)	(18,575)	6.0%	(288,708)
Net Tuition & Fees	909,569	883,545	869,686	39,883	4.6%	847,832
Grants	560,862	563,465	558,839	2,023	0.4%	560,082
Sales & Service, Educational	27,230	32,059	27,206	24	0.1%	28,910
Auxiliary Enterprises	434,685	415,319	417,100	17,585	4.2%	400,822
Other Operating	234,955	214,305	225,694	9,261	4.1%	233,717
State appropriations	760,518	728,222	752,924	7,594	1.0%	720,817
Other NonOperating	186,568	175,969	183,788	2,780	1.5%	195,089
Independent Business Lines	294,013	328,379	277,769	16,244	5.8%	371,618
Total Revenues	3,408,400	3,341,263	3,313,007	95,393	2.9%	3,358,887
Expenses	Budget	Budget	Projection	Variance		Actual
	FY2019	FY2018	FY2018	\$	%	FY2017
Salaries & Fringe	1,962,973	1,927,127	1,916,478	46,495	2.4%	1,846,879
Non-personnel	942,706	965,073	912,390	30,317	3.3%	1,019,065
Scholarships and fellowships	54,639	46,789	53,086	1,553	2.9%	47,710
Depreciation	278,941	272,331	261,669	17,273	6.6%	249,669
Interest	124,659	117,180	117,833	6,826	5.8%	110,069
Total Expenses	3,363,919	3,328,500	3,261,455	102,464	3.1%	3,273,392



APPENDIX



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¹ Please note the sections outlined under the Amherst Campus will be outlined for each of the other campuses.



AMHERST CAMPUS

FY19 Campus Budget Overview

The University of Massachusetts Amherst submits for approval a Fiscal Year 2019 operating budget totaling \$1.282 billion. Key elements of the FY19 budget include:

- No increase in State Appropriation.
- Tuition increase of 2.5% for in-state undergraduate students. The increase would be an annual increase of \$376 for a total tuition cost of \$15,406.
- Tuition increase of 3% for out-of-state undergraduate students in FY19. The annual increase would be \$993 for a total tuition cost of \$34,089.
- Undergraduate student enrollment increase of 100 students. This increase includes an increase in undergraduate students in general as well as targeted enrollment increases due to our new BioMedical Engineering program and expansion of Computer Sciences majors.
- Inclusion of revenues and expenditures for programs offered on the Mount Ida Campus of UMass Amherst as well as expenditures to maintain the campus facilities until additional programs are put in place starting in FY20. For FY19, UMass Amherst will teach out the existing Vet Tech Program students (expected enrollment of 184 students in FY19) and have included tuition revenues (net of financial aid) as well as program delivery expenses including faculty, support staff, residence hall and dining expenses, as well as financial aid.
- 7% increase in Continuing Professional Education (CPE) program revenues providing key non-state support to the core academic areas. This increase comes both from planned increases in enrollment and increases to tuition rates, as CPE moves to a more market-based rate structure in programs where appropriate.
- 3% increase to Room & Board rates. This would increase the average rate by \$368 for a total rate of \$12,626. These increases cover costs of collective bargaining, fringe benefits costs, capital costs to address deferred maintenance, as well as a planned conversion of 115 non-benefitted board plan employees to benefitted employees.
- A \$5 million increase in depreciation and interest expense to support capital projects. The following projects are expected to come on-line in FY18 and FY19: the Physical Sciences Building, the Chiller Plant, and the Isenberg School of Management addition. In addition, depreciation expense will increase by another \$1.4 million to reflect amortization of the Mount Ida campus facilities.
- Campus spending of \$45M to address deferred maintenance.
- Modest research growth of 2.9%, despite tightening government research budgets.
- Modest investment in faculty in key areas (12 tenure track and 6 lecturers) for the Amherst campus to offset prior-year losses in total faculty FTEs. New faculty hires are targeted to reduce instructional stress points and fulfill the needs created by additional Continuing Education offerings and new programs such as the Institute of Applied Life Sciences (IALS) and the Center for Data Science. In addition, six faculty are added to support the Vet Tech Program teach out on the Mount Ida Campus.
- Modest additional staff increases as follows:

- 10 additional FTEs are a result of the expanding Continuing Education offerings as well as additional student advisors and human resource professionals.
- 15 additional staff FTEs to support the Vet Tech Program teach-out as well as general support and maintenance of the Mount Ida Campus facilities.
- Continued planned conversion of non-benefitted staff within Dining Services to benefitted positions. A total of 115 staff will be converted before the end of FY19.
- Utilize E&E efforts to reallocate resources to satisfy staff hiring needs in areas such as student supports services, operations and maintenance of new buildings and research support services.
- Increases in financial aid expenses, both need-based aid to in-state students to maintain our percentage of need met, and merit based aid to attract additional out-of-state students.

Campus Strategic Plan

In concert with the UMass system office and the Board of Trustees, over the past five years the Amherst campus has put in place a strategic plan to move the campus on the pathway to the Top 20 among public research universities. In concert with our 10-year reaccreditation, the campus is in a process to refresh that strategic plan, emphasizing the following three goals:

- Establish UMass Amherst as a destination of choice where academically accomplished, socially responsible seekers of a world-class education succeed in a research-rich, inclusive learning community.
- Establish UMass Amherst as a partner of choice in advancing and applying knowledge and innovation for the betterment of society.
- Establish UMass Amherst as a community of choice for students, staff and faculty that exemplifies the power of diverse perspectives and mutual respect.

We will reach for these goals while following these two overarching principles:

- Mobilize all our resources to achieve a sustainable financial strategy
- Instill a culture of evidence at all levels that applies the best possible information and analysis to decisions

Over the last five year, the campus has been able to achieve impressive progress despite the fact that non-discretionary expenditures for financial aid, debt service, and salary increases have consumed most of our new revenues. Through careful investment, reallocation of resources and aggressive E&E undertakings we've earned the following achievements:

- UMass Amherst is now ranked 29th best public university in the country by US News and World Report, reflecting a remarkable surge in attractiveness and competitiveness. Over ten years UMass Amherst overtook 30 other institutions to become the most-improved public university in America.
- In FY17 campus research expenditures exceeded \$210 million. The partnership with the Massachusetts Life Sciences Center has positioned our Institute for Applied Life Sciences

(IALS) to project the power of campus research programs into a broad range of industries and applications, and other efforts such as the Center for Data Science and the Cyber Security Institute also support areas vital to the Commonwealth's continued strength.

This comprehensive approach to planning enables the campus to take a broad view to financial restructuring in an era of rapidly shifting revenues and expenditures. All budgetary decisions occur in the context of a planning and budgeting system developed and refined over the past three years:

- All academic and administrative units target performance improvements emerging from multi-year strategic plans. These improvements are guided by defined metrics, selected to demonstrate areas where performance is not aligned with industry standard, peers or campus goals.
- Unit priorities are discussed across organizational boundaries to improve collaboration and efficiency.
- Specific action plans for the fiscal year focus on both improvements to be pursued within existing resources and high-impact strategic investments pooling resources at the unit and campus levels.

Despite the constraints of the attached FY19 budget, modest additional funding is included to support the following strategic initiatives:

- Programs to support the Institute for Applied Life Sciences (IALS) and the Center for Data Science. Both initiatives facilitate high quality education, research and industrial collaboration, which will drive job creation and economic development.
- Additional faculty in FY19 including additional lecturers to address class size and academic stress areas (a continuation of the President's enhancement initiatives) and faculty hires to support the campus commitment to a diverse faculty body through the continued funding of the CHIP initiative.
- Funds to address the \$1.1 billion deferred maintenance backlog (Sightlines, June 2017), although at reduced levels due to reductions in state funding and institutional facilities budgets.
- IT related expenses to address the deferred maintenance issues related to the wireless and wired connectivity across campus and the increasing costs of service contracts.
- CPE related expenses related to growing our online programs. These expenses include costs associated with the development of new online programming as well as marketing and branding increases.

The campus maintains a sharp focus on administrative efficiency and effectiveness. A Joint Subcommittee on Administrative Costs and Services (JSACS) has lead a comprehensive review of all administrative and support (A&S) areas. A campus-wide process will identify priorities for evaluation and will review performance metrics for all areas. As priorities are identified, tailored

evaluation strategies (customer feedback, benchmarking, best practices, etc.) will identify changes with the greatest potential for improving quality and/or cost.

The challenge of maintaining a positive operating margin while providing strategic funding to reach our goals, however, imposes an extraordinary budget burden. In large part the campus addresses this challenge by reallocating resources. In FY19, we will use the following reallocation strategies to direct resources to our most pressing priorities:

- The campus' strategic budget process includes a review of all current faculty vacancies to determine whether reallocation between schools/college would better ease academic stress or support strategic goals.
- Staff vacancies will be reviewed, rehiring only in areas of critical importance. Management in some areas has and will be reorganized, including operations and maintenance, which is keeping staff numbers flat despite the addition of new facilities. These actions are often guided by benchmarking metrics, best practices and/or customer feedback, and address services provided by both academic and administrative and support service areas.
- We will continue to aggressively pursue corporate partnerships and expand our competitive bidding process to reduce purchase costs in such areas as IT, research labs, leased vehicles, building maintenance support and residence halls furniture. We have saved over \$19M in these areas over the last five years, funds that have been used to close budget gaps and to reallocate to key priorities.
- We will expand our use of technology to reduce the costs (labor and materials) in many administrative areas on campus. We have already used technology to computerize work management systems, build databases to track best practices and lessons learned on construction projects, and improve on-line web-based learning using eBooks. Savings can help close budget gaps and provide monies to be reallocated to key campus priorities.

FY19 Revenue

- State Appropriation revenue is flat.
- Tuition & Fee revenue is increasing due to a 2.5% fee increase for in-state undergraduate students and a 3% increase for out-of-state undergraduate students, as well as a projected increase in undergraduate enrollment of 100 students. Total \$11.1M net increase.
- Additional \$3.7 million in net tuition revenue for the teach-out of Vet Tech students on the Mount Ida campus. These 184 forecasted students will all pay in-state tuition rates, regardless of residency, as well as a \$500 per semester Vet Tech fee to support specific costs of this program (a fee these students had been paying at Mount Ida College).
- Room and Board charges are projected to increase by 3%, a total revenue increase of \$6.6M.
- CPE revenue is projected to increase 7% or \$3.9M, due to a combination of fee and enrollment increases.

- Student Activity Fee will increase \$100 generating \$2M in revenue. The undergraduate student body voted for this fee increase to partially fund the renovation of the Student Union Building.
- Research revenue is expected to increase by \$4.5 million, or 2.9%, even in light of tightening government research budgets.

In-State Undergraduate Tuition & Mandatory Fees

	FY 18	FY 19	\$ Change	% Change
Amherst	\$15,411	\$15,887	\$476	3.1%

FY19 Expenditures

- The state is not expected to fund any salary increases. Salary expense increase due to 2% increases on non-state supported salaries only.
- Depreciation expense increases by \$5M (4.5%) due to new buildings coming on-line in FY18 and FY19: the Physical Sciences Building, the Chiller Plant, and the Isenberg School of Management addition
- Increases in financial aid expenses, both need-based aid to in-state students to maintain our percentage of need met and merit based aid to attract additional out-of-state students.
- Graduate waivers increase due to increased tuition and fee rates.
- IT related expenses to address the deferred maintenance issues related to the wireless and wired connectivity across campus and the increasing costs of service contracts.
- CPE related expenses such as marketing and branding and costs associated with the development of new online programming.
- Instructional and student support expenses associated with the teach-out of the Vet Tech students on the Mount Ida campus. These costs include faculty, support staff, and facilities expenses. Also included are expenses to maintain the full Mount Ida Campus as additional programs are put into place for FY20.
- Total expenses are relatively flat due to the implementation of a budget reallocation to fund some new costs, as well as the continued savings resulting from E&E initiatives.

FY19 Enrollment

The campus continues on a strategic plan to modestly increase undergraduate enrollment, maintaining access for in-state students close to prior-year levels and targeting slight increases in out-of-state/international students who satisfy our increasingly selective admissions criteria.

- Undergraduate in-state students are projected to increase by 50 students in FY19, including projected increase for our new BioMedical Engineering program. Net revenue increase of \$0.6M

- Undergraduate out-of-state students are projected to increase by 50 students in FY19, yielding an additional net revenue of \$1.2M.
- Graduate students are projected to increase by 100 students in FY19, yielding a net tuition revenue increase of \$0.8M.
- Projected 184 Vet Tech undergraduate students enrolled on the Mount Ida Campus for FY19.

Students (FTEs)	Budget FY2019	Projection FY2018	Variance		Actual FY2017
			#	%	
Undergraduate: In State	17,672	17,438	234	1.3%	17,412
Undergraduate: Out of State	5,255	5,205	50	1.0%	5,176
Undergraduate: Total	22,927	22,643	284	1.3%	22,588
Graduate: In state	1,179	1,154	25	2.1%	1,052
Graduate: Out of State	2,629	2,554	75	2.9%	2,444
Graduate: Total	3,808	3,709	99	2.7%	3,497
Continuing Education	442	472	(30)	-6.4%	428
Online	2,012	1,888	124	6.6%	1,827
Total FTE Enrollment	29,189	28,712	477	4.1%	28,339

FY19 Staffing

Overall staffing increases are projected to be very modest in FY19:

- We are projecting a modest increase in faculty, driven by filling positions that were previously held vacant. These faculty hires will fulfill needs created by additional Continuing Education offerings and new programs such as the Institute of Applied Life Sciences (IALS) and the Center for Data Science and will alleviate areas of instructional stress. In addition, six faculty members will support the Vet Tech program on the Mount Ida Campus.
- Modest increase in staff, despite adding new facilities to the campus. Five additional FTEs are a result of the expanding Continuing Education offerings, four staff will alleviate bottlenecks in Human Resources, and another will address Student Success. Additional increases will be in Dining Services, where 115 non-benefited staff will be converted to benefitted positions before the end of FY19. We have added 15 staff to support the Vet Tech program on the Mount Ida Campus as well as to maintain the campus as other programs are ramped-up.
- The campus will utilize its strategic budget planning process to shift resources between schools/colleges or administrative departments in order to meet critical campus staffing needs with level or reduced department funding. E&E efforts have freed-up administrative staffing resources to address hiring needs to support student services, operations and maintenance of new buildings as well as research support.



FY19 Employee FTE Report				FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE					(1)	(1)
Restricted	Unrestricted		Totals	Totals	Totals	
423	5,330		5,752	5,676	5,494	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary			
423	4,229	1,101	5,752	5,676	5,494	
FUNCTIONAL EMPLOYEE CATEGORIES						
Faculty	49	1,527	-	1,576	1,558	1,550
Staff	374	2,702	1,101	4,176	4,118	3,944
Executive / Administrative / Managerial	2	129	7	138	138	140
Professional Non Faculty	302	1,208	235	1,746	1,736	1,596
Secretarial / Clerical	33	594	125	752	752	745
Technical / Paraprofessional	30	291	61	382	382	382
Skilled Crafts	-	170	83	253	253	251
Service / Maintenance	6	310	590	906	856	829
Vacant / New				-		

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

(2) FTEs without an assigned EEO6 (i.e. functional) category will be reviewed and corrected directly in PeopleSoft; this line is intended to have 0 FTEs assigned

FY19 Programs – Planned changes

- The budget allocates resources to continue building programs to support the Institute for Applied Life Sciences (IALS) and the Center for Data Science. Both initiatives facilitate high quality education, research and industrial collaboration which will drive job creation and economic development.
- The budget dedicates new resources to build a new program in Biomedical Engineering. This undergraduate, masters and doctoral level program is a collaboration with the School of Medicine and is a program of growing interest to students. The program will be co-located on the UMass Amherst and UMass Medical School campuses.
- The campus has acquire the 74-acre Newton campus of Mount Ida College, which ceased operations at the end of May 2018. This acquisition strengthens our flagship campus in a very competitive national higher education marketplace by creating an outstanding experiential learning experience for our students in a Boston-area location. This location is ideally suited to enhance our internship and co-op programs as well as to grow a much-needed talent pipeline for Massachusetts businesses, especially in high-demand STEM fields. As part of UMass Amherst’s commitment to displaced Mount Ida College students, we will Teach-Out the currently enrolled Vet Tech Program students in FY19 – FY21. For FY19, our operating budget assumes:
 - A teach-out of the existing Vet Tech program students that were enrolled at Mount Ida College prior to closure. In FY19 we plan for 184 undergraduates enrolled in this program (net tuition of \$3.7M), as well as the associated faculty, staff and program costs (\$3.8M).

- Our budget also includes \$5.5M in expenses to cover debt service and depreciation as well as to maintain the campus and keep it secure as additional programs are ramped-up during FY19.

Key Metrics

- The Operating Margin declines slightly, primarily due to increases to depreciation expense as new capital projects come on-line, as well as our investment in the Mount Ida campus while programs for this space are put into place.
- The Debt Ratio increases slightly as a result of new debt taken out in FY19.
- The Financial Cushion decreases slightly due to spending of unrestricted funds on capital improvements as part of the campus capital plan.

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	0.9%	1.5%	3.0%	4.1%	2.8%
Operating Margin (\$)	11,819	18,255	35,979	48,150	30,624
Operating Cash Flow Margin (%)	13.6%	14.0%	14.8%	15.6%	14.6%
Operating Cash Flow Margin (\$)	174,471	174,125	176,745	181,720	156,493
Debt Service Burden (%)	6.7%	6.5%	6.6%	6.4%	6.4%
Annual Debt Service Coverage (x)	2.0	2.2	2.3	2.5	2.3
Debt Service (P+I)	86,207	80,321	77,011	71,995	68,087
Spendable Cash & Investments to Operating Expenses (x)	0.41	0.41	0.46	0.42	0.46
FTE Enrollment	29,189	28,711	28,339	27,697	27,098

Campus E&E Efforts

The Amherst campus has aggressively pursued cost savings and revenue enhancements in all aspects of its operations. Over the past few years, a total of \$44M has been saved/avoided in such areas as Purchasing, Energy & Sustainability, IT, Organization Restructuring, and Space/Building. The campus has completed E&E projects that have resulted in over \$18M in cost savings and avoidance in FY16 and an additional \$27M in total cost savings expected in FY17-21. Recent examples of E&E projects are:

- Use of the competitive bidding process has resulted in significant cost savings and avoidance. The IT department negotiated with a variety of vendors to obtain the most value out of contracted goods and services of \$7M.
- The Facilities and Campus Services division has continued to utilize in-house expertise to reduce the significant capital project and utility costs of \$2M. Savings include using in-house engineers and architects, new commodity purchasing contracts to take advantage of falling utility prices, and consolidation of various operations to increase labor productivity.
- The campus initiated cost reductions in administrative and support functions that has led to an additional \$5M of savings in FY17. Vacancies are assessed prior to hiring by campus departments, positions are being consolidated, administrative duties are being shared and a reduced frequency of services.

Campus Budget Reductions

Despite the E&E efforts, a total of \$24M in campus-wide base budget reductions have been necessary in the past four years in order to close budget gaps. In large part, these cuts have served to fund the state's \$13M outstanding obligation for unfunded collective bargaining increases from the FY15-17 union contracts as well as a lack of state funding for deferred maintenance projects. We have also been compelled to use our dwindling campus reserves to work toward our goals in the face of our massive fixed expenditure obligations. We are at the point, however, where we have little remaining cushion.

There is not an overall planned budget cut for FY19, however, each area has been tasked to reduce spending by 1% in order to create a budget reallocation pool to enhance funds available for new initiatives.

Conclusion

The lack of any increased funding from the state forces the university to raise tuition 2.5% for in-state undergraduate students and 3% for out-of-state undergraduate students in FY19. These tuition increases are necessary to cover the growth in capital related expenses and the campus share of state-negotiated collective bargaining increases. Most other inflationary pressures are offset by E&E efforts. This budget leaves the campus with very limited resources to implement new strategic initiatives, allowing us to maintain current quality and merely keep pace with our competitors.

Attachments:

- Campus Revenue & Expenses
- Tuition & Fee Schedule



*FY19 University Operating Budget – Amherst Campus
July 13, 2018*

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	AMHERST		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Gross Tuition & Fees	561,039	533,364	27,675	5.2%	513,450	481,072	440,723
Tuition Discounts	(158,632)	(150,540)	(8,092)	5.4%	(139,441)	(114,881)	(99,261)
<i>Tuition Discount Rate</i>	28.3%	28.2%			27.2%	23.9%	22.5%
Net Tuition & Fees	402,407	382,824	19,583	5.1%	374,009	366,191	341,462
Grants	157,607	153,142	4,465	2.9%	148,554	145,217	137,136
Sales & Service, Educational	9,796	9,509	287	3.0%	9,137	8,935	8,908
Auxiliary Enterprises	276,141	267,365	8,776	3.3%	256,110	241,428	223,784
Other Operating	18,259	18,000	259	1.4%	16,575	22,413	19,010
State appropriations	363,541	361,577	1,964	0.5%	345,411	319,541	298,423
Other NonOperating	71,335	68,722	2,613	3.8%	66,258	70,716	53,891
Total Revenues	1,299,086	1,261,140	37,947	3.0%	1,216,054	1,174,441	1,082,614
Expenses	Budget FY2019	Projection FY2018	AMHERST		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Salaries & Fringe	764,195	747,570	16,625	2.2%	712,315	676,474	621,583
Non-personnel	340,381	322,446	17,935	5.6%	306,743	308,850	295,012
Scholarships and fellowships	19,606	18,500	1,106	6.0%	17,378	14,452	20,215
Depreciation	115,982	111,002	4,980	4.5%	100,409	96,614	89,442
Interest	41,978	38,481	3,497	9.1%	36,250	32,417	29,820
Total Expenses	1,282,143	1,237,999	44,144	3.6%	1,173,095	1,128,807	1,056,072

UNIVERSITY OF MASSACHUSETTS, AMHERST

STUDENT TUITION & FEE SCHEDULES

FY 2019 TUITION & MANDATORY FEES

FY 2019 NON-MANDATORY FEES

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

FY 2019 TUITION & MANDATORY FEES

SUMMARY TABLE

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
<u>UNDERGRADUATE</u>					
TUITION					
Undergraduate (resident)	\$14,590	\$15,030	\$15,406	\$376	2.5%
Undergraduate (regional)	\$24,886	\$26,159	\$27,152	\$993	3.8%
Undergraduate (non-resident)	\$31,823	\$33,096	\$34,089	\$993	3.0%
MANDATORY FEES					
Shared Infrastructure Technology Fee	\$250	\$250	\$250	\$0	0.0%
Student Activities	\$131	\$131	\$231	\$100	76.3%
TOTAL MANDATORY FEES & TUITION					
Undergraduate (resident)	\$14,971	\$15,411	\$15,887	\$476	3.1%
Undergraduate (regional)	\$25,267	\$26,540	\$27,633	\$1,093	4.1%
Undergraduate (non-resident)	\$32,204	\$33,477	\$34,570	\$1,093	3.3%
RESIDENTS ONLY					
Rent and Residential Telecommunications	\$6,659	\$6,862	\$7,068	\$206	3.0%
Board	<u>\$5,238</u>	<u>\$5,396</u>	<u>\$5,558</u>	<u>\$162</u>	<u>3.0%</u>
TOTAL RENT, TELCOM, BOARD	\$11,897	\$12,258	\$12,626	\$368	3.0%
TOTAL TUITION AND ROOM & BOARD					
Undergraduate (resident)	\$26,868	\$27,669	\$28,513	\$844	3.1%
Undergraduate (regional)	\$37,164	\$38,798	\$40,259	\$1,461	3.8%
Undergraduate (non-resident)	\$44,101	\$45,735	\$47,196	\$1,461	3.2%
<u>GRADUATE</u>					
TUITION					
Graduate (resident)	\$13,524	\$13,930	\$14,348	\$418	3.0%
Graduate (regional)	\$24,327	\$25,216	\$26,132	\$916	3.6%
Graduate (non-resident)	\$29,644	\$30,533	\$31,449	\$916	3.0%
MANDATORY FEES					
Graduate Service Fee	\$1,233	\$1,270	\$1,270	\$0	0.0%
Graduate Health Fee	\$727	\$749	\$768	\$19	2.5%
Graduate Student Senate Fee	\$129	\$138	\$138	\$0	0.0%
TOTAL MANDATORY FEES & TUITION					
Graduate (resident)	\$15,613	\$16,087	\$16,524	\$437	2.7%
Graduate (regional)	\$26,416	\$27,373	\$28,308	\$935	3.4%
Graduate (non-resident)	\$31,733	\$32,690	\$33,625	\$935	2.9%

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Commonwealth College Welcome Weekend Orientation (in AIA Fund)	\$90.00	\$90.00	\$90.00	\$0.00	0.0%
Campus Fee Fund :					
Continuing Ed Campus Fee / per credit	\$216.00	\$221.00	\$221.00	\$0.00	0.0%
Graduate Entering	\$357.00	\$357.00	\$507.00	\$150.00	42.0%
Undergraduate Senior Status	\$110.00	\$110.00	\$110.00	\$0.00	0.0%
Commonwealth College Fee (annual)	\$600.00	\$600.00	\$600.00	\$0.00	0.0%
New Student Enrollment Fee:					
Undergraduate	\$485.00	\$485.00	\$485.00	\$0.00	0.0%
Undergraduate - Stockbridge	\$377.00	\$377.00	\$377.00	\$0.00	0.0%
Undergraduate - Transfer	\$385.00	\$385.00	\$385.00	\$0.00	0.0%
Career Services:					
Credentials Packet (Undergraduate)	\$2.00	\$2.00	\$2.00	\$0.00	0.0%
Credentials Packet (Graduate)	\$3.00	\$3.00	\$3.00	\$0.00	0.0%
Communication Network Services (formerly Telecommunications):					
Family Housing Tenants (per month)	\$30.00	\$30.00	\$30.00	\$0.00	0.0%
Summer Telephone Fee (per month)	\$30.00	\$30.00	\$30.00	\$0.00	0.0%
Summer CE Telephone Fee (per session)	\$30.00	\$30.00	\$30.00	\$0.00	0.0%
Computer Science Computing Facility:					
Computer Account for CE Courses (per semester)	\$45.00	\$45.00	\$45.00	\$0.00	0.0%
Domestic Exchange:					
Outgoing Application	\$230.00	\$230.00	\$230.00	\$0.00	0.0%
Incoming Orientation	\$110.00	\$150.00	\$150.00	\$0.00	0.0%
Post Conference Application	\$300.00	\$300.00	\$300.00	\$0.00	0.0%
Engineering Fee (annual)					
Undergraduate:					
12+ Credits	\$830.00	\$830.00	\$830.00	\$0.00	0.0%
6-11 credits	\$570.00	\$570.00	\$570.00	\$0.00	0.0%
1-5 Credits	\$310.00	\$310.00	\$310.00	\$0.00	0.0%
Graduate:					
5+ Credits	\$830.00	\$830.00	\$830.00	\$0.00	0.0%
1-4 Credits	\$440.00	\$440.00	\$440.00	\$0.00	0.0%
Graduate Registrar Fees:					
Continuous Enrollment Fee (was Program Fee)	\$275.00	\$275.00	\$275.00	\$0.00	0.0%
Readmission Fee	\$125.00	\$125.00	\$125.00	\$0.00	0.0%
Doctoral Hoods	\$65.00	\$65.00	\$65.00	\$0.00	0.0%
Graduate Student Senate					
Graduate Student Senate Fee (Continuous Enrollment Students)	\$64.50	\$69.00	\$69.00	\$0.00	0.0%
Horseback Riding Program (per semester)	\$880.00	\$880.00	\$880.00	\$0.00	0.0%

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Humanities & Fine Arts Course Fees					
Art Studio Course Fee (PER COURSE)	\$0.00	\$0 - \$170	\$0 - \$170	N/A	N/A
Music Studio Lessons Course Fee: Majors (PER COURSE)	\$0.00	\$425.00	\$425.00	\$0.00	0.0%
Music Studio Lessons Course Fee: Non-Majors (PER COURSE)	\$0.00	\$325.00	\$325.00	\$0.00	0.0%
International Programs:					
Registration Fee (UMass & Non-UMass programs) / semester	\$750.00	\$850.00	\$860.00	\$10.00	1.2%
Application Fee	\$50.00	\$50.00	\$50.00	\$0.00	0.0%
Range of Exchanges (annual)	\$100-\$32,000	\$100-\$32,000	\$100-\$32,000	\$0.00	0.0%
American Culture & Language Program Fee	\$75.00	\$75.00	\$75.00	\$0.00	0.0%
American Culture & Language Program Fee (incl. TOEFL Test)	\$150.00	\$150.00	\$150.00	\$0.00	0.0%
Trip & Excursion Fee for International Students	\$5 - \$100	\$5 - \$100	\$5 - \$100	\$0.00	0.0%
Student Orientation Fee - Fall	\$75.00	\$75.00	\$75.00	\$0.00	0.0%
Student Orientation Fee - Spring	\$50.00	\$50.00	\$50.00	\$0.00	0.0%
Student Orientation Fee with Optional Room & Board	\$200.00	\$200.00	\$200.00	\$0.00	0.0%
Special Programs Fee	\$100.00	\$100.00	\$100.00	\$0.00	0.0%
Summer Registration Fee	\$250.00	\$350.00	\$355.00	\$5.00	1.4%
Student Services Fee (per semester) *	\$100.00	\$100.00	\$100.00	\$0.00	0.0%
Isenberg School of Management Fee (annual)					
Undergraduate					
12+ Credits	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00	0.0%
6-11 credits	\$690.00	\$690.00	\$690.00	\$0.00	0.0%
1-5 Credits	\$375.00	\$375.00	\$375.00	\$0.00	0.0%
Lab Fees					
Undergraduate Course Lab Fee	\$95.00	\$95.00	\$95.00	\$0.00	0.0%
New Student Orientation					
Freshmen (<i>moved to New Student Enrollment Fee in FY17</i>)	\$0.00	\$0.00	\$0.00	N/A	N/A
Transfers (<i>moved to New Student Enrollment Fee in FY17</i>)	\$0.00	\$0.00	\$0.00	N/A	N/A
Registrar Services					
Readmission Fee	\$60.00	\$60.00	\$60.00	\$0.00	0.0%
College of Nursing Undergraduate Course Fee (per credit)	\$75.00	\$75.00	\$75.00	\$0.00	0.0%
Student Health					
BASICS I (first offense)	\$100.00	\$100.00	\$100.00	\$0.00	0.0%
BASICS II (second offense)	\$175.00	\$175.00	\$175.00	\$0.00	0.0%
Student Health Benefit Plan					
Undergraduate Student Per Semester Plan (6 months)	\$705.00	\$772.50	TBD	\$0.00	0.0%
Graduate Student Per Semester Plan (6 months)	\$1,355.00	\$1,485.00	TBD	\$0.00	0.0%
Family Per Semester Plan (6 months)	\$3,000.00	\$3,000.00	TBD	\$0.00	0.0%

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
UCard					
U Card Replacement (Lost/Stolen)	\$25.00	\$30.00	\$30.00	\$0.00	0.0%
U Card Replacement (Damaged)	\$10.00	\$15.00	\$15.00	\$0.00	0.0%
UWW Advising/Assessment:					
Enrollment Fee	\$75.00	\$75.00	\$75.00	\$0.00	0.0%
Advising/semester	\$150.00	\$150.00	\$150.00	\$0.00	0.0%
Prior Learning (1-15 Credits)	\$800.00	\$800.00	\$800.00	\$0.00	0.0%
Prior Learning (16-18 Credits)	\$1,100.00	\$1,100.00	\$1,100.00	\$0.00	0.0%
Prior Learning (19-21 Credits)	\$1,400.00	\$1,400.00	\$1,400.00	\$0.00	0.0%
Prior Learning (22-25 Credits)	\$1,700.00	\$1,700.00	\$1,700.00	\$0.00	0.0%
Prior Learning (26-29 Credits)	\$2,000.00	\$2,000.00	\$2,000.00	\$0.00	0.0%
Prior Learning (30+ Credits)	\$2,200.00	\$2,200.00	\$2,200.00	\$0.00	0.0%
Special Transcript Fee	\$75.00	\$75.00	\$75.00	\$0.00	0.0%
Vet Tech Program Majors Fee (annual)	\$0.00	\$0.00	\$500.00	\$500.00	N/A

**Charged to degree seeking international students who are holders of F and J visas issued by the International Programs Office*

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Auxiliary Services					
Basic Plan (224 meals per semester/annual)	\$5,238.00	\$5,396.00	\$5,558.00	\$162.00	3.0%
Unlimited Plan (annual rate)	\$5,782.00	\$5,956.00	\$6,134.00	\$178.00	3.0%
Platinum Plan (200 meals per semester)/annual	\$5,112.00	\$5,266.00	\$5,424.00	\$158.00	3.0%
Gold Plan (100 meals per semester) / annual	\$2,784.00	\$2,868.00	\$2,954.00	\$86.00	3.0%
Commuter Plan (65 meals per semester) / annual	\$1,614.00	\$1,662.00	\$1,712.00	\$50.00	3.0%
Commuter Plan (155 meals per semester) / annual	\$3,534.00	\$3,640.00	\$3,750.00	\$110.00	3.0%
Commuter On the Go (\$800 Dining \$ plus 5 Bonus	\$1,600.00	\$1,600.00	\$1,648.00	\$48.00	3.0%
Unlimited Plus (unlimited DC access, \$500 dining	\$6,162.00	\$6,348.00	\$6,538.00	\$190.00	3.0%
Summer/Winter YCMP (20 meals) *	\$218.00	\$220.00	\$220.00	\$0.00	0.0%
Kosher Surcharge	\$400.00	\$400.00	\$400.00	\$0.00	0.0%
Meal Plan Change Administrative Fee	\$250.00	\$250.00	\$250.00	\$0.00	0.0%
Early Arrival Meal Plan	\$55.00	\$55.00	\$55.00	\$0.00	0.0%
Continuing Education					
Recording Fee, CEU Credits	\$10.00	\$10.00	\$30.00	\$20.00	200.0%
Readmission Fee	\$60.00	\$60.00	\$60.00	\$0.00	0.0%
Credit/Recording Fee	\$100.00	\$100.00	\$100.00	\$0.00	0.0%
Registration (credit)	\$45.00	\$47.00	\$47.00	\$0.00	0.0%
Registration (non-credit)	\$6.00	\$6.00	\$25.00	\$19.00	316.7%
Entering Fee (CPE matriculated UG students)	\$135.00	\$135.00	\$135.00	\$0.00	0.0%
Matriculating Student On-Site (per credit)					
Undergraduate In-State	\$390.00	\$390.00	\$402.00	\$12.00	3.1%
Undergraduate Out-of-State	\$691.00	\$691.00	\$712.00	\$21.00	3.0%
Graduate In-State	\$460.00	\$460.00	\$474.00	\$14.00	3.0%
Graduate Out-of-State	\$788.00	\$788.00	\$812.00	\$24.00	3.0%
Non-Matriculating Student On-Site (per credit)					
Undergraduate	\$390.00	\$390.00	\$402.00	\$12.00	3.1%
Graduate	\$460.00	\$460.00	\$474.00	\$14.00	3.0%
On-Line (per credit)					
Undergraduate	\$390.00	\$390.00	\$402.00	\$12.00	3.1%
Graduate	\$460.00	\$460.00	\$474.00	\$14.00	3.0%
Off Campus Special Programs (per credit) **	\$100-\$900	\$100-\$1,500	\$100-\$1,900	\$0 - \$400	0.0% - 26.7%
Non-Matriculated Students Transcript Fee ****	\$6.00	\$6.00	\$6.00	\$0.00	0.0%
CPE Nursing 2nd Bachelor Orientation Fee	N/A	\$100.00	\$500.00	\$400.00	400.0%
Thesis, Dissertation, Special Programs (per credit)	\$195.00	\$195.00	\$195.00	\$0.00	0.0%
Bad Check Charge	\$30.00	\$30.00	\$30.00	\$0.00	0.0%
Late Course Add Fee	\$60.00	\$60.00	\$60.00	\$0.00	0.0%

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Parking					
All Students					
Green Lot	\$350.00	\$350.00	\$360.00	\$10.00	2.9%
Purple Lot	\$314.00	\$314.00	\$323.00	\$9.00	2.9%
Yellow Lot	\$255.00	\$255.00	\$262.00	\$7.00	2.7%
Employees and GEO					
Red Lot (Employee only)	\$132 - \$467	\$137 - \$483	\$141-\$497	\$4 - \$14	2.9%
Blue Lot	\$91 - \$394	\$94 - \$408	\$100-\$420	\$6 - \$12	2.9% - 6.4%
Green Lot	\$68- \$236	\$70 - \$245	\$75-\$252	\$5 - \$7	2.9% - 7.1%
Purple Lot	\$62-\$215	\$64-\$225	\$68-\$232	\$4 - \$7	3.1% - 6.3%
Yellow Lot	\$46 - \$74	\$48 - \$78	\$50-\$80	\$2.00	2.6% - 4.2%
Other Permit Fees					
Portable Permits	\$12.00	\$12.00	\$12.00	\$0.00	0.0%
Residence Halls & Family Housing:					
Family Housing (rents are per month)					
<u>North Village:</u>					
1 Bedroom	\$815.00	\$839.00	\$864.00	\$25.00	3.0%
1 Bedroom Handicapped	\$815.00	\$839.00	\$864.00	\$25.00	3.0%
1 Bedroom IPO (furnished)	\$845.00	\$869.00	\$895.00	\$26.00	3.0%
1 Bedroom Handicapped (tenant not handicapped)	\$835.00	\$859.00	\$885.00	\$26.00	3.0%
2 Bedroom	\$952.00	\$981.00	\$1,010.00	\$29.00	3.0%
2 Bedroom Handicapped	\$952.00	\$981.00	\$1,010.00	\$29.00	3.0%
2 Bedroom Handicapped (tenant not handicapped)	\$972.00	\$1,001.00	\$1,031.00	\$30.00	3.0%
<u>Residence Halls</u>					
Standard Shared Room	\$6,407.00	\$6,599.00	\$6,797.00	\$198.00	3.0%
Single Room (includes Sylvan Double as Single Room)	\$8,520.00	\$8,776.00	\$9,040.00	\$264.00	3.0%
Sylvan Suite Singles	\$7,745.00	\$7,978.00	\$8,220.00	\$242.00	3.0%
Sylvan Suites Shared	\$5,825.00	\$5,999.00	\$6,180.00	\$181.00	3.0%

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
North Apartments Single Room (9 months)	\$11,743.00	\$12,095.00	\$12,460.00	\$365.00	3.0%
Commonwealth Honors College Residential Complex					
Single Apartments	\$11,843.00	\$12,095.00	\$12,460.00	\$365.00	3.0%
Single Suites	\$10,252.00	\$10,532.00	\$10,850.00	\$318.00	3.0%
Shared Apartments	\$8,905.00	\$9,094.00	\$9,365.00	\$271.00	3.0%
Single Rooms	\$9,319.00	\$9,575.00	\$9,865.00	\$290.00	3.0%
Suite Shared	\$7,708.00	\$7,919.00	\$8,155.00	\$236.00	3.0%
Shared Rooms	\$7,007.00	\$7,199.00	\$7,415.00	\$216.00	3.0%
<u>Lincoln Apartments</u>					
Studio, Furnished (9 months)	\$9,280.00	\$9,558.00	\$9,845.00	\$287.00	3.0%
1 Bedroom, Furnished (9 months)	\$10,752.00	\$11,075.00	\$11,410.00	\$335.00	3.0%
2 Bedrooms, Furnished (9 months)	\$8,604.00	\$8,862.00	\$9,130.00	\$268.00	3.0%
Residential Telecommunications Fee	\$252.00	\$263.00	\$271.00	\$8.00	3.0%
Cancellation Fee	\$100-\$500	\$100-\$500	\$100-\$500	\$0.00	0.0%
Break Housing (add to rent)	\$500.00	\$600.00	\$600.00	\$0.00	0.0%
<u>Daily and Summer Student Fees / Per Day</u>					
Shared	\$31.00	\$31.40	\$32.00	\$0.60	1.9%
Shared Sylvan	\$28.00	N/A	N/A	N/A	N/A
Single Occupancy (including Sylvan Double)	\$41.00	\$41.80	\$43.00	\$1.20	2.9%
Single Sylvan	\$37.00	N/A	N/A	N/A	N/A
Early Arrival Fee (per/diem)	\$50.00	\$50.00	\$60.00	\$10.00	20.0%
Residence Halls Surcharges:					
Expanded Single	\$400.00	\$400.00	\$400.00	\$0.00	0.0%
Double used for Single	\$1,600.00	\$1,600.00	\$1,600.00	\$0.00	0.0%
Triple used for Double	\$800.00	\$800.00	\$800.00	\$0.00	0.0%
Triple used for Single	\$1,600.00	\$1,600.00	\$1,600.00	\$0.00	0.0%
Quad used for Triple	\$800.00	\$800.00	\$800.00	\$0.00	0.0%
Quad used for Double	\$900.00	\$900.00	\$900.00	\$0.00	0.0%
Quad used for Single	\$1,600.00	\$1,600.00	\$1,600.00	\$0.00	0.0%
Improper Room Checkout Fees:					
During Academic Year, not during Opening Per	\$150.00	\$150.00	\$150.00	\$0.00	0.0%
During Early Arrival time period, Winter Sessio	\$175.00	\$175.00	\$175.00	\$0.00	0.0%
During Opening day and thereafter, Spring	\$250.00	\$250.00	\$250.00	\$0.00	0.0%
During Opening Week and thereafter, Spring	\$400.00	\$400.00	\$400.00	\$0.00	0.0%
Unauthorized Occupancy of Residence Hall Spa	\$150.00	\$150.00	\$150.00	\$0.00	0.0%

* Summer Fees cross fiscal years: for example, FY18 fees are charged May through August 2018

** A listing of the Off-Campus Special Continuing Education Programs with their respective per credit charges is available

*** Until FY2016 CPE students who matriculated prior to fall 2012 paid the non-matriculated transcript fee; beginning FY17 there will no longer be a charge to CPE matriculated students for a transcript.

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Application Fee:					
Undergraduate	\$75	\$80	\$80	\$0	0.0%
Graduate Instate	\$75	\$75	\$80	\$5	6.7%
Graduate Out-of-State	\$75	\$75	\$80	\$5	6.7%
Graduate International	\$75	\$75	\$80	\$5	6.7%
Bursar Administrative Fees:					
Student Bill Late Payment Fee	\$50	\$50	5% of Balance to maximum of \$100	\$0 - \$50	0% - 100%
Returned Check Fee	\$25	\$25	\$25	\$0	0.0%
Engineering Computer Services:					
Undergraduate & Graduate Computer Fee (Summer)	\$10	\$10	\$10	\$0	0.0%
Student Activities:					
Craft Center	\$7.00 - \$25.00	\$7.00 - \$25.00	\$7.00 - \$25.00	\$0	0.0%
Union Video Center	\$5.00 - \$40.00	\$5.00 - \$40.00	\$5.00 - \$40.00	\$0	0.0%
Student Legal Services Office:					
Stockbridge Student Pro-Rated Activities Fee	\$102	\$102	\$102	\$0	0.0%
Simple Wills & Trusts	\$50-\$200	\$50-\$200	\$50-\$200	\$0	0.0%
Contracts	\$25-\$200	\$25-\$200	\$25-\$200	\$0	0.0%
Settlement Demand Letters	\$25-\$200	\$25-\$200	\$25-\$200	\$0	0.0%
Durable Power of Attorney	\$25-\$50	\$25-\$50	\$25-\$50	\$0	0.0%
Health Care Proxy	\$25	\$25	\$25	\$0	0.0%
Power of Attorney	\$25-\$50	\$25-\$50	\$25-\$50	\$0	0.0%
Mediation & Arbitration (per hour)	\$25-\$50	\$25-\$50	\$25-\$50	\$0	0.0%
Referral Fee (\$150 min.)	15%-33.3%	15%-33.3%	15%-33.3%	\$0	0.0%
Litigation Services Flat Fee	\$100 - \$1,500	\$100 - \$1,500	\$100 - \$1,500	\$0	0.0%
Contingency Fee Litigation	25% - 33.3%	25% - 33.3%	25% - 33.3%	\$0	0.0%
Pro Se Court Pleadings & Documents	\$50 - \$750	\$50 - \$750	\$50 - \$750	\$0	0.0%
Separation Agreement	\$50 - \$750	\$50 - \$750	\$50 - \$750	\$0	0.0%
Student Health:					
Summer Basic CE (6/1 - 7/31)	\$454	\$467	\$479	\$12	2.6%
Summer Basic CE - per Week	\$57	\$58	\$60	\$2	3.4%
Family Fall (8/1 - 1/31)	\$1,203	\$1,239	\$1,270	\$31	2.5%
Family Spring (2/1 - 7/31)	\$1,203	\$1,239	\$1,270	\$31	2.5%
Graduate < 5 Credits per semester	\$363.50	\$374.50	\$384.00	\$10	2.5%
GEO < 5 Credits per semester	\$363.50	\$374.50	\$384.00	\$10	2.5%
CE > 3 credits / UWW / Program Fee per semester	\$363.50	\$374.50	\$384.00	\$10	2.5%



BOSTON CAMPUS



FY19 Campus Budget Overview

UMass Boston submits for approval a fiscal year 2019 (“FY19”) budget which reflects revenue of \$436.5 million and operating expenses of \$436.5 million. Key elements of the FY18 budget include:

- Enrollment (HCT) of 16,360 represents a reduction from last fall of 54. With increased full-time new students in undergraduate, anticipated FTE totals increase by 152 (175 in-state and -23 out-of-state.) With more full-time students, enrollment changes are expected to increase revenue by \$2.0 million.
- Annual tuition increase of 2.5% for in-state undergraduate students and 3.0% for out-of-state undergraduate and all graduate students.
- Full effect of targeted FY18 fiscal actions to reduce expenses along with improved budgeting and forecasting practices in FY19 to bring the annual operating budget in balance.
- Transformation of the physical campus with the completion by September 2018 of the campus’ first residence hall (a public-private partnership), the Utility Corridor and Roadway Reconstruction (UCRR), and the West Parking Garage.
- Continuing Efficiency and Effectiveness (E&E) and Business Process Review (BPR) initiatives.

Campus Strategic Plan

UMass Boston’s strategic plan, *Fulfilling the Promise*, begins as follows:

“The year is 2025. At the University of Massachusetts Boston, a great public urban research university, we honor our origins as a teaching institution and our tradition of public service. At the same time, we have taken bold steps to grow in stature as a sophisticated research university, and to play a distinguished part on the global stage. We have become the university our founders destined us to be in their original statement of purpose: well equipped to provide opportunities truly “equal to the best.”

While the campus continues to aspire to these strategic goals, FY19 will focus on the financial health and stability of the institution over the long-term through continued efforts to maintain structural balance by aligning annual revenue and expenses.

FY19 Revenue

In FY19, total revenue from all sources is projected to be \$436.5 million, an increase of \$8.2 million and 1.9% over prior year.

Student tuition and fee revenue (net) is projected to be \$191.0 million, an increase of \$2.5 million and 1.3% over prior year. The total revenue increase is a function of enrollment changes of \$2.0 million, increases in student aid due to the residence halls of -\$3.9 million, and lower Summer



revenue of -\$0.6 million, offset by Summer II write-off (price change in FY19) of \$0.5 million, and tuition increases \$4.5 million.

Tuition and fees remains the largest source of revenue; in FY19 this revenue source will comprise 44% of total revenue.

Reported student tuition and fee revenue is net of waivers and local financial aid. The university’s commitment to funding local financial aid continues, with \$32.0 million in the FY19 budget allocated to support local financial aid and \$26.5 million allocated to support waivers. Financial Aid includes an increase of \$3.9 million related to the residence halls. The expected family contribution of the average UMass Boston in-state student with need in FY17 was \$3,632, well below other UMass campuses. In FY17, over 7,177 students received some form of financial aid, with 87% of undergraduate in-state students’ need met through grants, scholarships, work study, and loans.

Sponsored grants and contracts activity is projected to be \$58.2 million, which represent no growth from the prior year.

State support is projected to be \$136.5 million, an increase of 2.5 million or 1.9%. The state appropriation is consistent with System Office guidance and reflects no collective bargaining increase. The fringe benefit rate used in the budget is 35.41%, consistent with System Office guidance.

In-State Undergraduate Tuition & Mandatory Fees

	FY 18	FY 19	\$ Change	% Change
Boston	\$13,828	\$14,166	\$338	2.4%

FY19 Expenditures

Total expense, including operating and interest expense, is projected to be \$436.5 million, an increase of \$5.2 million and 1.2%.

Compensation, including payroll and fringe benefit expense, is projected to be \$269.6 million a decrease of -\$3.2 million and -1.1% compared to prior year, based on a detailed analysis of filled and vacant benefitted positions, and the following changes:

- Increase due to collective bargaining of \$1.3 million
- fringe benefit cost increase of \$0.7 million
- New faculty hiring of \$1.1 million
- Reduction in employment from full year impact of voluntary separation and reduction in force from prior years of -\$3.5 million



- Other reductions related to select benefitted position freezes, reduction in temporary employment and overtime of -\$2.8 million

The budget for FY19 includes continuing investment in strategic priorities, including support of a 24x7 residential campus. During FY19, support areas like Public Safety and Health Services will have fully-trained staff and additional equipment available to support the residence halls. Hiring of residence hall management and residential life staff will continue.

UMass Boston has historically had a student faculty ratio below peer institutions. In FY18 NTT reductions were used to bring the campus closer the targeted 18:1 student to faculty ratios. This effort will continue in FY19. FY19 also includes added expenditures to accommodate increased credit hours taken and to reduce course scheduling bottlenecks with added sections of basic courses.

FY19 reflects continued progress toward transforming the physical infrastructure of the campus, consistent with the Board-approved capital master plan. Depreciation expense in FY19 is projected to be \$29.5 million, an increase of \$5.3 million and 18.0% compared to prior year. Operating interest expense (net of capitalized interest) on existing borrow funds is expected to be \$17.2 million, \$4.6 million higher than prior year.

Non-personnel expense is projected to be \$101.4 million, a decrease of -\$1.5 million and -1.4%. This will be achieved by holding budgets in FY19 to actual levels of spend (FY17-18 used as a baseline), and through targeted reductions based on a detailed review of prior-year one-time or expiring recurring expenses.

Scholarships and fellowship expense is projected to be \$18.8 million, an increase of \$0.0 million and 0.0%. Scholarship and fellowship expense is a function of waivers and financial aid payments (including Pell). These waivers and payments are split into tuition discounting (revenue discount) and scholarship and fellowship expense (expense). For purposes of this budget submission increases in internal waivers/aid have been consolidated into tuition discounting, however on the actual financial statement changes are split between tuition discounting and Scholarship/fellowship expense.

FY19 Enrollment – Recent history and projected enrollment changes

UMass Boston has experienced healthy growth in enrollment over the past several years, however in FY17 and FY18 enrollment has declined. In FY19, the enrollment forecast is lower than FY18 when comparing headcounts. FTEs are increased due to the growing population of new freshmen, of which a majority are full-time students.



Students (FTEs)	Budget FY2019	Projection FY2018	Variance		Actual FY2017
			#	%	
Undergraduate: In State	8,324	8,291	33	0.4%	7,968
Undergraduate: Out of State	1,595	1,544	51	3.3%	1,496
Undergraduate: Total	9,919	9,835	84	0.9%	9,464
Graduate: In state	1,060	1,118	(58)	-5.2%	1,083
Graduate: Out of State	622	684	(62)	-9.1%	721
Graduate: Total	1,682	1,802	(120)	-6.7%	1,804
Continuing Education	680	697	(17)	-2%	933
Online	686	703	(17)	-2%	812
Total FTE Enrollment	12,967	13,037	(70)	-1%	13,013

FY19 Staffing - Recent history and projected staffing changes

The FY19 budget reflects a renewed commitment to find economies of scale in instructional areas and in the provision of support and overhead services. Employment levels are projected to remain flat with the second half of FY18. In FY18 there was a conscious effort to reduce overall employment levels with a voluntary separation program and an involuntary reduction in force. The first full year of savings under the reductions will begin in FY19.

The campus will continue to monitor employment levels through tighter management of benefitted and temporary positions. Efforts will continue in moving closer to the goal of 18:1 student-to-faculty ratio, establishing self-sustaining programs, centers and institutes, and consolidation of administrative functions. These reductions represent right-sizing university operational and instructional employment levels to ensure FY19 financial performance and will be instrumental in maintaining a sustainable budget model in future years.

The FY19 budget does include filling of approved vacant positions and new hiring in targeted areas, including fall tenure-stream faculty hires, 14 FTE, and hiring related to 24x7 residential life, 10 FTE. Tenure-stream faculty hires are partially offset by reduced need for NTT. The residential life hires were included in the FY18-FY22 submission last year.



FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
Restricted		Unrestricted			Totals	Totals	Totals
165		1,812			1,977	1,976	2,128
Grants / Gifts / Endowments		General Operations	Independent Business / Auxiliary				
165		1,769	43	1,977	1,976	2,128	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	15	840	-	855	854	883	
Staff	150	929	43	1,122	1,122	1,245	
Executive / Administrative / Managerial	1	89	1	91	91	96	
Professional Non Faculty	143	555	17	715	715	796	
Secretarial / Clerical	5	154	10	169	169	202	
Technical / Paraprofessional	1	105	1	107	107	109	
Skilled Crafts	-	11	-	11	11	12	
Service / Maintenance	-	15	14	29	29	30	
Vacant / New							

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

(2) FTEs without an assigned EEO6 (i.e. functional) category will be reviewed and corrected directly in PeopleSoft; this line is intended to have 0 FTEs assigned

Key Metrics

Financial metrics

The FY19 budget reflects a target operating margin at \$0.0 million and 0.0%. The debt service ratio is projected to be 6.9%, within the target cap of 8.0%.

Large investments in the physical infrastructure, borrowing in advance of construction need, and deficit spending has resulted in declining reserve balances over the past three years. Unrestricted net assets in FY19 are projected to be \$33.3 million, with a financial cushion of 7.6%

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	0.0%	-0.7%	-0.7%	-1.3%	0.5%
Operating Margin (\$)	-	(3,000)	(3,001)	(5,369)	1,822
Operating Cash Flow Margin (%)	10.5%	7.6%	7.1%	5.4%	6.4%
Operating Cash Flow Margin (\$)	43,416	30,938	28,684	21,192	23,220
Debt Service Burden (%)	6.9%	5.8%	5.9%	4.9%	5.2%
Annual Debt Service Coverage (x)	1.4	1.2	1.1	1.0	1.2
Debt Service (P+I)	30,170	25,152	25,110	20,340	19,812
Spendable Cash & Investments to Operating Expenses (x)	0.18	0.17	0.19	0.20	0.33
FTE Enrollment	13,188	13,036	13,013	13,137	12,833

Student success metrics

Two of the commonly used metrics of student success are graduate and retention rates. The FY19 budget continues the investment made in prior years in tenure-stream faculty, student



advisors, learning communities, and other academic and enrollment strategies to improve graduate and retention rates.

6 -Year Graduation Rate	FY2018	FY2017	FY2016
	48%	45%	42%

Retention Rates	FY2018	FY2017	FY2016
Freshmen	77.4%	79.4%	77.9%
Transfers	78.8%	82.6%	79.7%

Campus E&E Efforts

UMass Boston is committed to supporting improvements in its operations both in conjunction with the System Office and at the campus level with our employees actively participating in the new Efficiency & Effectiveness (“E&E 2.0”) and on-going Business Process Review (“BPR”) initiatives. The former has formed cross-campus groups focused on energy and sustainability, IT procurement, facilities and libraries and the latter effort has three projects underway – position management, management reporting, and vendor maintenance. In addition to these efforts, the campus regularly reviews processes and policies to ensure best practices are deployed whenever possible.

As noted above, as part of strategies to reduce the operating margin deficit, the campus has reviewed several areas for efficiency and savings including: December 2017 closure of the Early Learning Center (ELC), review of campus subsidization of Centers & Institutes as well as implementing controls around temporary hiring and tighter management of benefitted positions. In addition, a review and reduction of previously planned capital projects was undertaken with several projects eliminated.

Both formal initiatives with the System Office and other campuses and informal local reviews will continue in FY19 and beyond.

Campus Budget Reductions

UMass Boston is committed to achieving a balanced budget in FY19. In order to achieve this goal the campus will need to ensure expense targets are met.

Below are the higher-value changes currently being considered to meet the target:

- Holding FY19 non-personnel expense level with FY18 actual spending levels, while adjusting for fixed costs increases, through detailed analysis of historical actual spending trends and needs by budgetary unit
- Improving projection of enrollment trends for more accurate estimates of revenue
- Growing the self-supporting research portfolio



- Increasing fund-raising
- Consolidating administrative functions (vacancy elimination)
- Freezing of certain vacant positions
- Establishing plans for self-sustaining programs, centers and institutes

Conclusion

The FY19 budget reflects the physical transformation of the campus and a commitment to returning to an annual operating surplus. The University takes pride in expanding the diversity and strengthening the quality of the student body. Diversity in the undergraduate population has grown to 59%¹, and the incoming SAT scores (combined) of incoming freshmen has moved from 843 to 1,319 since fall 2012².

Actions to achieve a balanced budget will be felt in all areas across campus. Many of the actions taken in FY18 were permanent and have helped reduce the burden in future years. The strategy to achieve budget targets has focused and continues to focus on minimizing the effect on students and allocating resources to those activities more closely aligned to the core mission of the university.

Attachments:

- Campus Revenue and Expenses
- Tuition & Fee Schedule

¹ 2017 Statistical Portrait, Table 4A

² 2017 Statistical Portrait, Table 12



FY19 University Operating Budget – Boston Campus
July 13, 2018

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	BOSTON		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Gross Tuition & Fees	254,035	245,075	8,960	3.7%	240,235	232,355	213,968
Tuition Discounts	(63,036)	(56,607)	(6,429)	11.4%	(53,820)	(45,471)	(44,311)
<i>Discount Rate</i>	24.8%	23.1%			22.4%	19.6%	20.7%
Net Tuition & Fees	190,999	188,468	2,531	1.3%	186,415	186,884	169,657
Grants	58,201	58,201	-	0.0%	58,201	53,927	48,561
Sales & Service, Educational	4,036	4,036	-	0.0%	3,979	3,709	4,197
Auxiliary Enterprises	8,252	5,752	2,500	43.5%	6,167	5,965	9,211
Other Operating	1,906	1,656	250	15.1%	1,818	2,837	854
State appropriations	136,471	133,936	2,535	1.9%	130,157	117,987	110,295
Other NonOperating	37,104	36,720	384	1.0%	36,597	35,093	33,347
Total Revenues	436,969	428,769	8,200	1.9%	423,334	406,402	376,122
Expenses	Budget FY2019	Projection FY2018	BOSTON		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Salaries & Fringe	269,623	272,834	(3,211)	-1.2%	275,330	266,100	244,755
Non-personnel	101,446	102,962	(1,516)	-1.5%	98,250	101,713	95,721
Scholarships and fellowships	18,771	18,771	-	0.0%	16,161	16,047	12,254
Depreciation	29,474	24,170	5,304	21.9%	22,246	18,988	16,572
Interest	17,186	12,563	4,623	36.8%	12,476	9,064	8,133
Total Expenses	436,500	431,300	5,200	1.2%	424,463	411,912	377,435

UNIVERSITY OF MASSACHUSETTS, BOSTON

STUDENT TUITION & FEE SCHEDULES

FY 2019 TUITION & MANDATORY FEES

FY 2019 NON-MANDATORY FEES

FY 2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

FY 2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Proposed	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Online Courses (per credit):					
Undergraduate Non-matriculated (Fall/Spring)	\$410	\$410	\$410	\$0	0%
Undergraduate Non-matriculated (Summer/Winter)	\$410	\$410	\$380	-\$30	-7%
Undergraduate Matriculated	\$410	\$410	\$410	\$0	0%
Graduate	\$575	\$575	\$575	\$0	0%
Program Fees					
Management					
Undergraduate per Semester (Fall / Spring)	\$425	\$446	\$468	\$22	5%
Undergraduate (Winter / Summer)	\$212	\$223	\$234	\$11	5%
Graduate per Semester (Fall / Spring)	\$860	\$905	\$950	\$45	5%
Graduate (Winter / Summer)	\$430	\$452	\$475	\$23	5%
Nursing					
Undergraduate Students (Fall / Spring)	\$500	\$500	\$500	\$0	0%
Undergraduate Program (Winter / Summer)	\$250	\$250	\$250	\$0	0%
Graduate Students (Fall / Spring)	\$700	\$700	\$700	\$0	0%
Graduate Program (Winter / Summer)	\$350	\$350	\$350	\$0	0%
E&HS					
Undergraduate Students (Fall / Spring)	\$400	\$400	\$400	\$0	0%
Undergraduate Program (Winter / Summer)	\$200	\$200	\$200	\$0	0%
Graduate Students (Fall / Spring)	\$700	\$700	\$700	\$0	0%
Graduate Program (Winter / Summer)	\$350	\$350	\$350	\$0	0%
CLA Infant Parent Mental Health Graduate Certificate					
Program fee	\$9,500	\$9,500	\$9,500	\$0	0%
Application fee	\$75	\$75	\$75	\$0	0%
Laboratory Fees					
Anthropology	\$61	\$61	\$61	\$0	0%
Art	\$112 - \$168	\$112 - \$168	\$112 - \$168	\$0	0%
Biology	\$86 - \$112	\$91 - \$135	\$100 - \$140	\$5	4%
Chemistry	\$135	\$135	\$140	\$5	4%
Communications & Theatre Arts	\$17 - \$35	\$5 - \$35	\$5 - \$35	\$0	0%
Computer Science	\$21 - \$55	\$22 - \$54	\$22 - \$55	\$1	2%
School for the Environment	\$52 - \$170	\$50 - \$300	\$50 - \$300	\$0	0%
Exercise & Health Sciences	\$50 - \$62	\$53 - \$65	\$55 - \$67	\$2	0%
College of Ed & Human Development	\$19 - \$128	\$20 - \$132	\$21 - \$136	\$4	0%
Language Lab	\$26 - \$55	\$26 - \$55	\$26 - \$55	\$0	0%
Mathematics	\$55	\$55	\$55	\$0	0%
Nursing	\$34 - \$348	\$34 - \$348	\$34 - \$348	\$0	0%
Physics	\$33 - \$90	\$33 - \$90	\$33 - \$90	\$0	0%
Engineering	\$57 - \$113	\$60 - \$120	\$60 - \$120	\$0	0%
Psychology	\$28 - \$72	\$25 - \$72	\$25 - \$72	\$0	0%
Administrative Fees					
Admissions Processing - Undergraduate International	\$100	\$100	\$100	\$0	0%
Admissions Processing - Undergraduate Non-Resident	\$60	\$60	\$60	\$0	0%
Admissions Processing - Undergraduate Resident	\$60	\$60	\$60	\$0	0%
Admissions Processing - Undergrad Late Registration Fee	\$100	\$100	\$100	\$0	0%
Admissions Processing - Undergrad Deposit Fee	\$200	\$200	\$200	\$0	0%
Admissions Processing - Undergrad Non Degree	\$60	\$60	\$60	\$0	0%
Admissions Processing - Undergrad Summer I,II	\$100	\$100	\$100	\$0	0%
Admissions Processing - Graduate International	\$100	\$100	\$100	\$0	0%
Admissions Processing - Graduate Non-Resident	\$60	\$60	\$60	\$0	0%
Admissions Processing - Graduate Resident	\$60	\$60	\$60	\$0	0%
Admissions Processing - Graduate Deposit Fee	\$250	\$250	\$250	\$0	0%
Admissions Processing - Graduate Deferral Fee	\$25	\$25	\$25	\$0	0%
Graduate Studies Program Fee	\$450	\$450	\$450	\$0	0%
E-Portfolio Fee	\$132	\$142	\$65	-\$77	-54%
Late Payment	\$116	\$100	\$50	-\$50	-50%

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Proposed	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Payment Plan Fee (a)	\$41	\$45	\$47	\$2	4%
Returned Check Fee	\$28	\$28	\$28	\$0	0%
Commencement (b)	\$200	\$200	\$200	\$0	0%
Non-Matriculated Student Transcript Fee	\$10	\$10	\$10	\$0	0%
Reactivation Fee	\$60	\$60	\$60	\$0	0%
ID Card, First Year Fee (Matriculated, non-Credit, Online)	NA	NA	\$75	\$75	100%
ID Card, Subsequent year's fee (Matriculated, non-Credit, Online)	NA	NA	\$12	\$12	100%
ID Card, Replacement (Matriculated, non-Credit, Online)	\$25	\$25	\$25	\$0	0%
Replacement ISC (one card)	\$25	\$25	\$25	\$0	0%
Mass Media	\$17	\$17	\$17	\$0	0%
New Student Fee	\$643	\$643	\$643	\$0	0%
Student Renewable Energy Fee	\$7	\$7	\$7	\$0	0%
International Fees					
Study Abroad Fee	\$100	\$100	\$100	\$0	0%
International Student Fee	\$320	\$320	\$320	\$0	0%
Global Programs Support Fees					
Education Abroad Engagement Fee (c)	\$20	\$20	\$20	\$0	0%
Health Fees					
Student Health Insurance Plan (SHIP) (d)	\$2,035	\$2,075	\$2,178	\$103	5%

Notes:

a Charged to students opting to pay by UMass Boston payment plan

b Mandatory charge for anticipated degree recipients only experience.

FY 2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Program Fees					
College of Advancing & Professional Studies (CAPS)					
Matriculated					
Undergraduate					
Resident	\$470	\$470	\$485	\$15	3.2%
Non-resident	\$850	\$850	\$880	\$30	3.5%
online & off campus	\$410	\$410	\$410	\$0	0.0%
Graduate					
Resident	\$625	\$625	\$645	\$20	3.2%
Non-resident	\$950	\$950	\$980	\$30	3.2%
online & off campus	\$575	\$575	\$575	\$0	0.0%
Non-matriculated					
Undergraduate (Fall/Spring)	\$410	\$410	\$410	\$0	0.0%
Undergraduate (Winter/Summer)	\$410	\$410	\$380	(\$30)	-7.3%
Graduate	\$575	\$575	\$575	\$0	0.0%
Executive MBA, MSA, MFA Program					
Professional graduate program fee	\$840	\$870	\$900	\$30	3.4%
Summer Services Fees*	\$237	\$237	\$245	\$8	3.4%
CAPS - non credit program	\$0-\$6,250	\$0-\$6,425	\$0 - \$6,600	\$175	2.7%
CAPS - professional development	\$0-\$6,250	\$0-\$6,425	\$0 - \$6,600	\$175	2.7%
Other Fees					
Parking, Per day	\$6	\$6	N/A		
Parking, Per day (Bayside)			\$9		
Parking, Per day (Garage and Lot D)			\$15		
Parking, 5-day park pass	\$29	\$29	N/A		
Parking, 10-day park pass	\$56	\$56	N/A		
Parking, 30-day park pass	\$162	\$162	N/A		
Parking, 45-day park pass	\$238	\$238	N/A		
Parking, 60-day park pass	\$300	\$300	N/A		
Parking, Monthly pass	\$96	\$96	N/A		
Parking, Monthly pass (Bayside, Faculty/Staff)			\$144		
Parking, Monthly pass (Bayside, new Student)			\$126		
Parking, Monthly pass (Bayside, cont Student)			\$115		
Parking, Monthly pass (Garage and Lot D, Faculty/Staff)			\$240		
Parking, Monthly pass (Garage and Lot D, Faculty/Staff*)			\$360		
Parking, Monthly pass (Garage and Lot D, comm Student)			\$210		
Parking, Monthly pass (Garage and Lot D, res Student)			\$315		
Parking, Semester pass	\$342	\$342	N/A		
Parking, Semester pass (students - pre-pay)	\$325	\$325	N/A		
Parking, Semester pass (Bayside, Faculty/Staff)			\$576		
Parking, Semester pass (Bayside, new Students)			\$504		
Parking, Semester pass (Bayside, cont Students)			\$410		
Parking, Semester pass (Garage and Lot D, Faculty/Staff)			\$960		
Parking, Semester pass (Garage and Lot D, comm Student)			\$840		
Parking, Semester pass (Garage and Lot D, res Student)			\$1,260		
Marine Ops - Small Boat Rental (per hour)	\$65	\$70	\$70	\$6	0%
Marine Ops - Dockage Fees (per foot)	\$2	\$2	\$2	\$0	0%

FY 2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Marine Ops - Mooring Fees (per foot)	\$1	\$1	\$1	\$0	0%
Marine Ops - R/V John F. Looney Jr. (2 hours)	\$270	\$270	\$270	\$0	0%
Marine Ops - M/V Columbia Point (2 hours)	\$690	\$725	\$725	\$0	0%
Marine Ops - Fox Point Pavillion Rental (per reservation)	\$60	\$65	\$65	\$0	0%
Marine Ops - Harbor Walk Bench	\$1,100	\$1,100	\$1,100	\$0	0%
Marine Ops - Harbor Cruises**	\$5 - \$10	\$10	\$10	\$0	0%
Marine Ops - Island Adventures per hour	\$900	\$900	\$900	\$0	0%
Marine Ops - Science at Sea	\$1,400	\$1,400	\$1,400	\$0	0%
Marine Ops - Special Events	\$500 - \$1,000	\$2,500	\$2,500	\$0	0%
Early Learning Center Tuition - Toddlers (per day)	\$64	\$68	N/A		
Early Learning Center Tuition - Preschoolers (per day)	\$52	\$55	N/A		
WUMB, Membership plans	\$60 - \$1,000	\$72 - \$1,000	\$72 - \$1,000	\$0	0%
WUMB, Winter Acoustic Music Weekend - Member	\$400	\$425	\$450	\$25	6%
WUMB, Winter Acoustic Music Weekend - Non member	\$425	\$450	\$500	\$50	11%
WUMB, Winter Acoustic Music Weekend Priv bath - Member			\$525	\$525	100%
WUMB, Winter Acoustic Music WeekendPriv Bath - Non member			\$575	\$575	100%
WUMB, Inn, 3 floor and Cottages - Member	\$900	\$925	\$975	\$50	5%
WUMB, Inn 2 floor - Member	\$950	\$975	\$975	\$0	0%
WUMB, Inn 2 floor Double Bed, Tree Line Cabin- Member	\$1,000	\$1,025	\$1,075	\$50	5%
College Row and Dock Road (2 person)			\$1,025	\$1,025	100%
WUMB, Inn, 3 floor and Cottages - Non member	\$950	\$975	\$975	\$0	0%
WUMB, Inn 2 floor - Non member	\$1,000	\$1,025	\$1,075	\$50	5%
WUMB, Inn 2 floor Double Bed, Tree Line Cabin- Non membe	\$1,025	\$1,050	\$1,050	\$0	0%

Notes:

Early Learning Centre only includes Private Fees only, State Contractual Fees set by the Commonwealth therefore not determined in these workings

** Applicable to College of Mgmt MS Accounting and Professional MBA programs*

*** denotes fees not applicable to students (ie free for students)*

FY 2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Other Fees (Not Student Related)					
Athletics - Beacon Fitness Ctr Employees & Alumni - Annual	\$216	\$216	\$216	\$0	0%
Athletics - Beacon Fitness Center Community Adult - Annual	\$125	\$125	\$125	\$0	0%
Athletics - Beacon Fitness Center Community Family - Annual	\$160	\$160	\$160	\$0	0%
Athletics - Beacon Fitness Center Community Youth - Annual	\$30	\$30	\$30	\$0	0%
Athletics - Beacon Fitness Center Community Personal Trainer - Hourly	\$35	\$40	\$40	\$0	0%
Athletics - Clark Athletic Center , Creative Room Rental - Hourly	\$110	N/A	N/A	N/A	N/A
Athletics - Clark Athletic Center , Lobby - Hourly	\$100	\$100	\$100	\$0	0%
Athletics - Clark Athletic Center Gymnasium - Hourly	\$350	\$350	\$350	\$0	0%
Athletics - Clark Locker Rooms (case by case request) -/Hour /locker room	\$54	\$54	\$54	\$0	0%
Athletics - Clark Center , Dive Well only Lifeguard	\$58	\$60	\$60	\$0	0%
Athletics - Ice Rink Rental - per hour	\$250	\$250	\$250	\$0	0%
Athletics - Swimming Pool Rental - Hourly (including Lifeguard)	\$112	\$125	\$125	\$0	0%
Athletics - Softball Field Rental - Per game	\$275	\$275	\$275	\$0	0%
Athletics - 400-Meter Track, lacrosse/soccer field, per game/match	\$300	\$300	\$300	\$0	0%
Athletics - Facility Staff Member	\$49	\$49	\$49	\$0	0%
Athletics - Additional Life Guard - per hour	\$18	\$18	\$18	\$0	0%
Athletics - Additional Ice Rink Attendant - per hour	\$16	\$16	\$16	\$0	0%
Athletics - Student Employee - per hour	\$14	\$14	\$14	\$0	0%
Athletics - UMB Game Admission - Spectator over 12 yrs.	\$7	\$7	\$7	\$0	0%
Athletics - Monan Park Rentals - Main field per game	\$600	\$750	\$750	\$0	0%
Athletics - Monan Park Rentals - JV field per game	\$250	\$250	\$250	\$0	0%
Athletics - Monan Park Rentals - All day tournaments, 2-3 days	\$2,000 - \$5000	\$2,500 - \$5,000	\$2,500 - \$5,000	\$0	0%
Athletics - Monan Park Rentals - Both fields per game	\$850	\$1,000	\$1,000	\$0	0%
Center for Collaborative Leadership - Workshop Fee	\$7,000	\$7,000	\$7,500	\$500	7%
Center for Collaborative Leadership - Luncheon Fee	\$100	\$100	\$100	\$0	0%
Center for Collaborative Leadership - Breakfast Fee	\$50	\$50	\$50	\$0	0%
Center for Collaborative Leadership - 2 Hour Programming	\$50	\$50	\$50	\$0	0%
Center for Collaborative Leadership - Half-day Programming for alumni	\$350	\$350	\$350	\$0	0%
Center for Collaborative Leadership - Full-day programming for alumni	\$750	\$750	\$750	\$0	0%
Distance Learning Ctr - Audio Visual Production Products (each)	\$5 - \$47	\$5 - \$47	\$5 - \$47	\$0	0%
Distance Learning Ctr - Audio Visual Production Services (per hour)	\$12 - \$163	\$12 - \$163	\$12 - \$163	\$0	0%
ILT - ALERTA Summer Program Fee plus optional lunch fee (per student)	\$30 - \$110	\$35 - \$115	\$35 - \$115	\$0	0%
ILT - TAG Summer Program Fee for EXCEL (per student)	\$30 - \$110	\$35 - \$115	\$35 - \$115	\$0	0%
ILT - TAG Summer Program Fee for SPELL (per student)	\$30 - \$110	\$35 - \$115	\$35 - \$115	\$0	0%
Joiner Center - Sale of Center Publications/Videos	\$12 - \$31	\$12 - \$31	\$12 - \$31	\$0	0%
Joiner Center - Writer's Workshop Fee (one week/two weeks)	\$250 - \$500	\$250 - \$500	\$250 - \$500	\$0	0%
Osher Lifelong Learning Institute (OLLI) (formerly LETS) - Annual Membership Fee	\$150	\$220	\$220	\$0	0%
Library - Overdue Fines	\$0.75 - \$30	\$0.75 - \$30	\$0.75 - \$30	\$0	0%
Library - Book Replacement Fee	\$1.03 - \$1,030	\$1.03 - \$1,030	\$1.03 - \$1,030	\$0	0%
Library - Book Replacement Processing Costs	\$30	\$30	\$30	\$0	0%
Library - 3 Hour Reserve Materials Late Fee	\$.10 - \$150	\$.10 - \$150	\$.10 - \$150	\$0	0%
Library - 2 Day Reserve Late Fee	\$30 - \$150	\$30 - \$150	\$30 - \$150	\$0	0%
Library - Interlibrary Loan - Overdue Fee	\$0.75 - \$30	\$0.75 - \$30	\$0.75 - \$30	\$0	0%
Library - Interlibrary Loan - Book Replacement Costs	\$1.03 - \$1,030	\$1.03 - \$1,030	\$1.03 - \$1,030	\$0	0%
Library - Interlibrary Loan - Book Replacement Processing Fee	\$30	\$30	\$30	\$0	0%
Library - Archive copying fees	\$.15 - \$15	\$.15 - \$15	\$.15 - \$15	\$0	0%
Library - University Archives copying Forrester Record	\$10	\$10	\$10	\$0	0%
Library - University Archives Holdings Scanning Per Item	\$25	\$25	\$25	\$0	0%
Library - Loaner Laptop late fee per minute	\$0	\$0	\$0	\$0	0%
Library - Loaner Laptop late fee per hour maximum	\$15	\$15	\$15	\$0	0%
Library - Lost Loaner Laptop replacement fee	\$1,500	\$1,500	\$1,500	\$0	0%

FY 2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY18-FY19	% Change FY18-FY19
Other Fees (Not Student Related)					
Library - Lost Loaner Laptop charger/adaptor replacement fee	\$150	\$150	\$150	\$0	0%
Library - Lost one-week DVD loan replacement fee	\$250	\$250	\$250	\$0	0%
Library - Lost one-week DVD loan replacement processing fee	\$30	\$30	\$30	\$0	0%
Library - Lost one-week DVD loan overdue fee	\$30	\$30	\$30	\$0	0%
Nantucket Field Station - Gouin Village Apartments (non UMB users - per night, per guest)	\$30	\$40	\$40	\$0	0%
Nantucket Field Station - Gouin Village Apartments (UMB users - per night, per guest)	\$25	\$25	\$25	\$0	0%
Nantucket Field Station - Gouin Village Apartments (non UMB users - full condo)	\$400	\$960	\$960	\$0	0%
Nantucket Field Station - Gouin Village Apartments (UMB users - full condo)	\$300	\$600	\$600	\$0	0%
Nantucket Field Station - Gouin Village Apartments (non UMB users - per week, per guest)	\$200	\$240	\$240	\$0	0%
Nantucket Field Station - Gouin Village Apartments (UMB users - per week, per guest)	\$150	\$150	\$150	\$0	0%
Nantucket Field Station - Bunkhouse (UMB users - per night)	\$15	\$15	\$20	\$5	33%
Nantucket Field Station - Bunkhouse (non UMB users - per night)	\$25	\$30	\$40	\$10	33%
Nantucket Field Station - Bunkhouse (Non Profit - per night)	\$25	\$25	\$30	\$5	20%
Nantucket Field Station - Bunkhouse (non UMB users - per week)	\$100	\$180	\$180	\$0	0%
Nantucket Field Station - Bunkhouse (UMB users - per week)	\$80	\$90	\$90	\$0	0%
Nantucket Field Station - Bunkhouse (non UMB users - per week both bunk rooms)	\$200	\$2,520	\$2,520	\$0	0%
Nantucket Field Station - Bunkhouse (UMB users - per week both bunk rooms)	\$150	\$1,260	\$1,260	\$0	0%
Nantucket Field Station - Lab Bench Use Fee (non UMB users)	\$8	\$16	\$16	\$0	0%
Nantucket Field Station - Lab Bench Use Fee (UMB users)	\$8	\$8	\$8	\$0	0%
Nantucket Field Station - Lab User Fee (non UMB users)		\$100	\$100	\$0	0%
Nantucket Field Station - Lab User Fee (UMB users)		\$50	\$50	\$0	0%
Nantucket Field Station - Lab Teaching Fee (non UMB users)		\$50	\$50	\$0	0%
Nantucket Field Station - Lab Teaching Fee (UMB users)		\$25	\$25	\$0	0%
Nantucket Field Station - Lecture Room Meeting Fee (non UMB users per day)	\$75	\$150	\$150	\$0	0%
Nantucket Field Station - Lecture Room Meeting Fee (UMB users per day)	\$75	\$75	\$75	\$0	0%
Nantucket Field Station - Conference Room Meeting Fee (non UMB users per day)	\$75	\$75	\$75	\$0	0%
Nantucket Field Station - Conference Room Meeting Fee (UMB users per day)	\$75	\$45	\$45	\$0	0%
Nantucket Field Station - Vehicle Use Fee (per day)	\$20	\$20	\$20	\$0	0%
ODI - Commonwealth Compact Talent Network Access Tier 1	\$600 - \$10,000	\$600 - \$10,000	\$600 - \$10,000	\$0	0%
ODI - Commonwealth Compact Talent Network Access Tier 2	\$300 - \$5,000	\$300 - \$5,000	\$300 - \$5,000	\$0	0%
ODI - Commonwealth Compact Talent Network Access Sole Practitioners	\$100	\$100	\$100	\$0	0%
Campus Center Vendor Fee (charged to vendor)	\$133 - \$200	\$133 - \$200	\$133 - \$200	\$0	0%
Student Affairs, Student Locker Rental - per semester	\$20	\$20	\$20	\$0	0%
Student Affairs, Student Locker Rental - per academic year	\$25	\$25	\$25	\$0	0%
Public Safety, Parking Fines - category 1	\$75 - \$150	\$75 - \$150	\$75 - \$150	\$0	0%
Public Safety, Parking Fines - category 2	\$25 - \$35	\$25 - \$35	\$25 - \$35	\$0	0%
Public Safety, Police details	\$49 - \$59	\$50 - \$60	\$50 - \$60	\$0	0%
Event Services - All Room Rental Charges	\$150 - \$4,975	\$150 - \$4,975	\$150 - \$4,975	\$0	0%
CNHS GoKids - monthly maintenance fee	\$141	\$141	\$141	\$0	0%
CNHS GoKids - personal trainer per/hr	\$76	\$76	\$76	\$0	0%
CNHS GoKids - group program per/hr	\$15	\$15	\$15	\$0	0%

DARTMOUTH CAMPUS

Overview

The University of Massachusetts Dartmouth (UMassD) is pleased to submit its proposed Fiscal Year (FY) 2019 Operating Budget of \$260 million. Assumptions contained in this proposal include:

- No increase in base state appropriation.
- In-state Undergraduate tuition and fee increases of 2.5%
- Out of state, Graduate and Law tuition and fee increases of 3.0%
- Steady year-over-year enrollment in all campus-based programs which stabilizes a nagging, declining trend.
- Strong University Extension (online and continuing education) enrollment with projected non-state revenue growth of 11%
- Aggressive efficiency and effectiveness efforts with no net increase in staffing.
- Continued modernizing of enrollment, advancement, and information technology systems.
- A debt service ratio of 7.1% to operations.
- Housing occupancy rate of 80% Average housing rate increase of 5%; average dining rate increase of 3% yields a 4.3% revenue increase.
- Potential enrollment/revenue gains from student transfers from Mount Ida College

The FY19 operating budget will have a 1.1% operating margin. This margin results from potential salary increases, a 2.4% increase in the state-imposed fringe benefit and payroll tax rates, an increase of 7.0% in depreciation for a full year of depreciation for the new SMAST East facility.

While UMass Dartmouth has aspirational goals that we believe will successfully generate the necessary revenues to support our growth initiatives, we have developed financial projections on a conservative basis. As the University's finances have been constrained in recent years, we recognize the importance of demonstrating fiscal discipline, ensuring that we remain prudent in the allocation of resources across the University, and planning for future needs and strategic priorities.

In addition, as we enter FY 2019 the Chancellor has assembled a leadership team consisting of many new individuals who have replaced prior incumbents or interims – including two deans, VC for Advancement, VC for Student Affairs, Senior Associate VC for Talent & Diversity, Associate Provost for Research and Economic Development, and Chief of Staff. These new players along with a pre-existing group of highly experienced senior leadership, are poised to work closely with the Chancellor in achieving campus goals and strategic initiatives.

Budget Process**Budget Redesign Project**

In FY18 a 15-member Budgetary Task Force completed a year-long effort to design a new decentralized, incentive-based budget model that is data-informed and transparent, instills accountability throughout the organization; aligns fiscal responsibility with budgetary activity and decision making; and enables the ability for units and the institution as a whole to innovate and plan. The outcome was a pro-forma all-funds budget management process including incentives for revenue generation and cost containment, decision support requirements, a proposed governance structure, and an implementation plan and timeline for budget operationalization and strategic resource allocation. Recommendations on tailoring the academic business plan for institutional success and excellence were also included. In fall 2017 a Davis Foundation grant was received to support budget software tools and a town hall meeting was held to communicate the budget framework. Subsequently, formal budgetary transition was deferred until key leadership positions were replaced. Meanwhile, preparatory work on budget processes, cost assessment, performance and incentive parameters, and policy recommendations has been ongoing.

Mount Ida College

The purchase of Mount Ida College (MIC) in Newton by UMass-Amherst was completed on May 17, 2018. Part of the agreement provided assistance for displaced students to complete their degree by facilitating transfer to UMass campuses offering compatible programs. UMass Dartmouth, having recognized instructional capacity, assumed the lead in accommodating these students. While over 600 MIC students have expressed interest in enrolling at UMass, we made a three-year budgetary projection assuming a conservative estimate of 150 students entering in fall 2018 with a declining number each year until 'teach out'. Financial parameters included discounted tuition/fee and housing/dining revenue and any added instructional costs including some studio renovations at the Star Store campus. In addition, the College of Visual and Performing Arts is planning to receive a MIC program in Interior Architecture and Design that has a long-term potential for enrollment growth. Specialized equipment and four lecturers will transfer to UMassD to support the program. Additional net revenue in FY19 is expected to be \$1.8 million.

Campus Master Plan: <https://www.umassd.edu/masterplan/>

The campus master plan was completed and presented publicly in FY18. Designs for two new construction projects and a major building renovation were also completed. Design of future infrastructure and grounds projects will continue in FY19.

Highlights of the plan include:

- Renovated and new academic facilities with flexible, collaborative, technology-rich, and engaging learning environments.
- Replacement of first-year housing to provide a compelling mix of living and learning options.
- An expanded campus center with improved student activity, services, and dining venues.
- Enhanced visitor experiences that will be more inviting to potential students and connect our university community to our neighbors.
- Expanded athletic and recreational facilities that will increase student participation and access for our community partners.
- Traffic flow improvements that integrate pedestrian, bicycle, and transit ways.
- Sustainability best practices related to energy use and green space.

FY18 Highlights

A \$40 million Energy Renewal Project including new heating/cooling systems and a cogeneration plant was completed which is estimated to yield substantial cost savings and reduce the campus carbon footprint. The final project phase of \$4.5 million replaced steam lines and installed accessible landscaping in the central campus quad.

SMAST East Building Grand Opening

UMass Dartmouth officially opened a new \$55 million, 64,000 square foot marine science facility – the School for Marine Science & Technology East, tripling the University’s marine science presence in New Bedford, the nation’s top fishing port. The state Division of Marine Fisheries (DMF) will occupy 8,000 square feet in the facility. The building will also be the headquarters of the Massachusetts [Marine Fisheries Institute](#), a SMAST/DMF-led coalition of scientists, policymakers, industry leaders, and environmental organizations that guides efforts to sustain Massachusetts and New England fisheries.

The building’s design features include:

- A seawater lab allowing researchers to study marine life and habitats in a scientifically controlled environment.
- A high performance-computing center that will support SMAST scientists and house “Hydra,” the Northeast Coastal Ocean Forecast System (NECOFS) computer cluster, which is used by numerous individuals and agencies around the world, including the US Coast Guard for search-and-rescue operations.
- Lobbies, meeting rooms and breakout spaces designed to support interaction among faculty, students, administration, Division of Marine Fisheries staff and visitors.
- Flexible classroom spaces with multi-media presentation capability designed for classes ranging from 10 to 70 students, as well as community and school groups.
- Research wet and dry labs with flexibility to be easily adapted to different configurations to accommodate changing research requirements.

- Compliance with U.S. Green Build Council's Leadership in Energy Efficient Design (LEED) requirements to achieve a silver rating, resulting in a 30 percent reduction in water consumption, 16 percent reduction in energy consumption, and use of 10 percent recycled construction materials.
- Four electric vehicle-charging stations.
- An architecturally advanced building design making creative use of natural light and open spaces

P3 Project Proposal Summary

This is a \$107.8 million Public Private Partnership (P3) to build a 1,210 bed/267,500 GSF mixed use residential facility designed to enhance recruitment and retention of first-year students. The project replaces existing 40-year old first year housing eliminating about \$66 million of deferred maintenance (DM) and minimizing impact on debt capacity. Further, the developer will pay \$625,000 to the University on an annual ground lease that provides for a price escalation of 3% every five years. After 45 years, building ownership reverts back to the University. P3's have become an increasingly common financing structure, particularly for residential housing among public universities. The facility is expected to open in fall 2020.

Also included in the project is a new \$26.9 million dining commons, funded through UMBA, to support the housing unit and the broader campus community. The 38,000 GSF dining facility will seat 800.

SENG Project Proposal Summary

UMass Dartmouth's (UMD) proposed \$54.4M Science and Engineering (SENG) Building Renovation project seeks to address the majority of deferred maintenance and life cycle items in order to reset the facility to allow for unencumbered programmatic renovations in the future. This proposed project details and prioritizes the most urgently needed repairs and upgrades which are included in the application; these can be summarized as: building envelope, base building MEP systems, life safety, and fire protection systems; in addition, accessibility upgrades are a particularly pressing need as many of the spaces and facilities in the building are simply not accessible. This comprehensive renovation addresses approximately \$32M in DM and \$6.8M in accessibility improvements to provide a foundation for the facility which will be stable enough to accommodate basic needs while becoming flexible enough to support academic programs that are not yet envisioned.

Future: STEM Project Proposal Summary

This project provides for a new 65,410 sf STEM building that will support classroom and laboratory instruction in an integrated, state-of-the-art facility. The proposed building structure will offer a unique, flexible configuration that promotes interdisciplinary collaboration and interactive learning and discovery. Additionally, the project site design will anchor the planned science quad.

STEM design features include:

- First year laboratory teaching spaces for biology, chemistry, physics, general engineering;
- Engineering Project Lab for team and capstone projects in all engineering discipline;
- STEM tutoring center – focused on student achievement and success;
- Two high capacity 90 student classrooms.

Campus Strategic Plan: <http://www.umassd.edu/strategicplan/>

Under the leadership of Chancellor Robert E. Johnson a process to update the campus strategic plan called “Inventing Our Future Vision 2025” was initiated. In Fall 2017 a number of informal, town-hall-style meetings were held with 30 different stakeholder groups to learn about challenges, opportunities and aspirations of the university community. With that background, the formal development of the next strategic plan will occur in FY19 and be co-chaired by Provost Mohammad Karim, and Donna Lisker, Chief of Staff, Office of the Chancellor.

The following sections provide a progress update for the current strategic plan:

[UMASSDTransform2020](#)

Goal 1: Innovative and High-Impact Research and Academic Programs

In FY18, for the 2nd year in a row, UMass Dartmouth was recognized as a Carnegie Doctoral: Higher Research Institution (R2) and as a U.S. News & World Report Tier 1 National University. After achieving Tier 1 status for the first time last year, UMass Dartmouth rose in the rankings from 220 to 207.

Since 2014 UMass Dartmouth has introduced 20 new degree programs. New programs approved for fall 2018 include BA health and society, BA/BS public administration, MS finance, and PhD STEM education UMass Dartmouth will now offer four specialized business Masters programs (MS in Accounting, MS in Finance, MS in Healthcare Management, and MS in Technology Management) in addition to the MBA. There are now a total of 34 masters programs university-wide. New programs under development are a BA/BS in Marine Science and Environmental Sustainability and a BS/BA in Information Technology. Plans are also underway to elevate the Honor’s Program to an Honor’s College to attract and retain high academic achieving students.

In addition, the College of Visual and Performing Arts has redesigned and streamlined their curriculum to provide greater flexibility and contemporariness for students. As a result the CVPA is seeing a significant increase in freshman applications and enrollment for FY19.

In the American Bar Association's first multi-jurisdictional ranking of bar pass results, the UMass Dartmouth-based School of Law out performed four nearby private schools in just its seventh year of existence and less than a year after becoming a fully ABA-accredited school. The UMass Law 2017 first-time bar pass rate was 72.73 percent, surpassing four area private law schools, which had bar pass rates ranging from 58.62 percent to 67.86 percent.

University Extension - Online and Continuing Education

University Extension (UE) is now led by an Assistant Vice Chancellor as of January 2018 who is implementing an aggressive, strategic plan to accelerate strong enrollment growth in online programs. The College of Arts and Sciences new online BA in Economics – Health Care Services Administration concentration (launched Spring 2017) will expand into new markets starting Fall 2018. On-line enrollment growth of 11% is expected. UMass Dartmouth's online Master of Healthcare Management program offered at the Charlton College of Business earned a top-25 ranking on BestColleges.com. The online [Master of Healthcare Management](#) program provides students with the knowledge and skills to help improve the quality and efficiency of healthcare delivery. To expedite and increase graduate online registration/admission, the admission function from Office of Graduate Admissions was moved to UE effective in January 2018.

Three new academic deans were hired in FY18. Dr. Eric Mitnick was selected as Dean of the UMass School of Law. Dr. Pauline Entin from Northern Arizona University will be Dean of the College of Arts and Sciences and Dr. Jean VanderGheynst from University of California Davis will be Dean of the College of Engineering, both beginning in September 2018. All are expected to bring new energy and vision to their disciplines.

Goal 2: Integrated Student-Centered Experiences

Student Success is paramount to the university mission. The following are examples of campus activities contributing to this goal:

- Starting July 2, 2018, Dr. Shannon Finning will begin as Vice Chancellor for Student Affairs (SA) reporting directly to the Chancellor. She will renew the SA strategic plan and work to integrate student support services.
- Athletics that previously reported to Student Affairs will be reporting directly to the Chancellor.
- In December 2017, Robert Andrea was named Associate Vice Chancellor for Enrollment Management to begin developing a strategic enrollment plan that considers new marketing tactics and financial aid leveraging.
- The campus continues to be ranked in the top 3% nationally for higher education community service.
- Major fee increases are principally being invested in facility renovations.
- The previous alternative admissions program, Pathways, has been redesigned and renamed CONNECT. <https://www.umassd.edu/connect/>

Connect is an invitation-only, conditional acceptance program for first-year college students. During this year-long program, Connect students have access to academic and social resources while adjusting to a university setting and earning UMass Dartmouth college credits.

Additional Connect benefits include:

- Smaller class sizes
- Individual and group peer mentoring
- Individualized advising from faculty advisors and the [Connect Coordinator](#)
- Tutoring through our [Academic Resource Center](#)
- Opportunities to experience residential living, activities, clubs, and sports
- Improving student retention continues to be a high priority. New activities in this area include:
 - A **Student Success Website**: www.umassd.edu/studentsuccess provides students with tools and guidance that assist them with navigating their path to graduation.
 - **Advising Roundtable**: includes professional advisors and individuals with direct student interaction, addressing situations, needs and obstacles that impact progression towards degree completion.
 - **Let's Get Ready (LGR)**: LGR provides peer-led support from high school through college to enable first generation and low-income students to get to and through college. LGR hires Student Success Coordinators, who work directly with students on academic performance, campus engagement, social and emotional skill development, career development, and financial aid.
 - Student Transition and Achievement Resource Center (**STAR Center**) provides advising for College of Arts and Sciences students. Professional academic advisors, peer mentors, and faculty advisors from most Arts & Sciences majors and minors help students plan their academic career thoughtfully and thoroughly.
- UMassD is ranked in the top 11% nationally for best value college, based on return on investment by *Payscale*.
- UMassD is ranked in the top 15% for social mobility: the extent to which a university educates economically disadvantaged students at lower tuition, so they can graduate and obtain good paying jobs by *Social Mobility Index*.

Goal 3: An Active and Engaged University Community Focused on Excellence in Research, Scholarship & Innovation

UMass Dartmouth is a national Tier 1 doctoral research university with a total research expenditure of about \$26.1 million. The Campus continues its work to maintain its R2 status while providing faculty and students with enhanced opportunities for learning and discovery.

In August 2017 Dr. Alex Fowler was named Associate Provost for Research & Economic Development to design and implement new strategic initiatives to expand the research

enterprise. New initiatives with an interdisciplinary focus have been identified as: cybersecurity, marine science and technology, community resiliency, and homeland security. Plans to expand undergraduate research opportunities are also underway.

On April 19 the campus sponsored a symposium entitled, ‘Catching the Next Wave: Building the Blue Economy through Innovation and Collaboration’. The event was co-hosted by the national [Council on Competitiveness](#). The April 19 event brought invited leaders from academia, business, and government together to address the opportunities and challenges in developing the blue economy of the state and region.

Goal 4: Highly Productive Collaborations, Partnerships, and Community Engagement

“Inventing Our Future” was the theme of a week long (April 17-20) celebration culminating in the inauguration of Chancellor Robert E. Johnson as the 10th leader of the university. Coinciding with that event a series of academic, cultural, and engagement activities were held to demonstrate the strengths and achievements of UMass Dartmouth, students, faculty, staff, alumni, and the region.

In June 2018 UMass Dartmouth Chancellor Robert E. Johnson awarded the university Chancellor’s Medal to President Marcelo Rebelo de Sousa of the Portuguese Republic at the annual State House Day of Portugal celebration. Following the State House ceremony, at which state lawmakers honored Portuguese-Americans who have made major contributions to the civic, cultural and economic life of the Commonwealth, Chancellor Johnson joined President De Sousa and Portuguese Prime Minister Antonio Costa aboard the tall ship Sagres for the signing of student and faculty exchange agreements between UMass Dartmouth and several Portuguese universities.

In FY18 UMassD alumnus and NASA astronaut Scott Tingle ’87 spent 4 months working and doing research aboard the International Space Station. On March 6, students and alumni had a live talk with him via satellite downlink. <https://www.umassd.edu/scott-tingle/>

On June 1-3, 2018 the College of Engineering hosted the 2018 SeaPerch Challenge to promote STEM education. This international robotics competition attracted nearly 1,000 students and mentors representing 32 states, the Cayman Islands, New Zealand, Puerto Rico, and the Virgin Islands.

College Now

Created 50 years ago by a faculty task force inspired by the work of Dr. Martin Luther King, Jr., College Now facilitates access to higher education for high school graduates who demonstrate the desire and ability to attend college, but who require additional support to reach their full potential. Currently, College Now is celebrating its 50th incoming class and continues to make

earning a college degree a reality for students who struggle academically or financially, or who need additional guidance. An average of 120 students enroll in College Now each year. Counselors assist students in goal setting, course selection, academic achievement, and short- and long-term program planning. After successfully completing the Fall Academic Program, students transition to a degree program of their choice. Completion rates are about 85 percent.

On May 1, 2018, Jennifer Chrisler was named Vice Chancellor for Advancement at UMass Dartmouth. She brings stability to a unit in transition and will refocus the office on targeted gifts and fundraising and on increasing alumni engagement.

Goal 5: Infrastructure and Processes in Support of Excellence

Efficiency and Effectiveness Efforts (E&E)

The Dartmouth campus is in the process of implementing the following measures to enhance operational efficiency and organizational excellence:

Full-Time Faculty Re-engineering

Over the past 5 years, 144 of 350 tenure-track/tenured faculty positions have been redistributed across and between colleges/schools to strengthen high-demand majors, more evenly distribute the faculty workload across departments, and to position colleges/schools for successful accreditation outcomes.

Business Process Review – We are Better Together

UMass Dartmouth is collaborating with the UMass System Administration and Finance Division on various initiatives based upon customer centric Lean Six Sigma and Kaizan methodology to improve business processes. Specific, projects underway in FY18 include Position Management and Vendor Set-Up and Maintenance.

Human Resources

The campus has recruited a new Senior Associate Vice Chancellor (SAVC) for Talent and Diversity, Angela Callahan, who reports to the Vice Chancellor of Administration and Finance. She serves as the top Human Resources (HR) officer for the campus with overall responsibility for all HR service areas, policies, and programs including diversity, inclusion, and equity compliance and strategies. The SAVC brings knowledge, energy, integrity, and an inclusive approach to talent management and workforce development. The SAVC will be responsible for delivering future-focused HR systems and services through innovative talent management, talent acquisition, performance coaching, leadership development, workforce planning, and talent engagement.

In FY19 the University will conduct a search to hire a new Vice Chancellor for Administration and Finance/Chief Financial Officer. The Division of Administration and Finance is responsible for the fiscal integrity and operational efficiency of the institution oversees the offices of budget and finance, human resources, EEO, facilities, master planning, and campus services. The VC works with the Chancellor and senior leadership to strategically align budget with university priorities, to position the university to thrive and to utilize resources responsibly.

Business Intelligence; Decision Support Initiatives

In FY19 the campus will continue to customize new software applications to enhance academic, administrative, and business operations and services.

TargetX is an enrollment management package to engage prospective students to facilitate recruitment and admissions. It was used for the first time in the fall 2018 recruitment cycle and enrollment yield is expected to increase. Future plans are to extend the program for retention.

Tableau is a data visualization tool connects multiple data sources for display on interactive dashboards. Budgetary mapping has been completed and other data sets are being identified. This is a key step toward improving transparency in information access.

HelioCampus is a higher education analytics platform that creates dashboards for data, e.g. admissions, enrollments, retention, and financial aid, to inform strategies to improve student success and fiscal stewardship. This program was acquired in FY18 and implementation is ongoing.

BonitaSoft is a business process management and workflow application platform. The user can create workflow- or process-based e-business applications to improve access and efficiency. After the team receives training they will first prototype the add comp workflow, before converting other university business processes.

Salesforce uses social, mobile, and cloud technologies to connect all information and communication across campus.

Axiom Software by KaufmanHall is being adopted by the UMass system to improve budgeting and financial forecasting processes, including position planning. FY19 will be a transition year with full implementation in FY20.

Conclusion

The campus has executed numerous initiatives to improve our service excellence through the University's commitment to benchmarking efficiencies. This has allowed the campus to anticipate and proactively align services, decrease expenses, and seek revenue opportunities.

FY19 Revenue

The Dartmouth campus has increased in-state undergraduate tuition and mandatory fees by \$349 or 2.6%. We used a flat state appropriation except in the calculation of fringe benefits. Our investment returns were conservatively budgeted. Revenues from auxiliary activities include an increase to housing of 5% and dining of 3%. However, with the flat enrollment and

the closing of a freshman dorm, gross auxiliary revenues are expected to decline but net revenue will remain similar to FY18. All funds revenue is projected to increase by 5.1%.

In-State Undergraduate Tuition & Mandatory Fees

	FY 18	FY 19	\$ Change	% Change
Dartmouth	\$13,571	\$13,921	\$349	2.6%

FY19 Expenditures

The budget office, in conjunction with other academic and service units, has scrutinized every expenditure line. Depreciation is increasing by 7.0% or \$1.6 million with the College of Business and SMAST expansions. Various operational expenses result in an \$11.7 million or 4.7% increase.

FY19 Enrollment

The Dartmouth campus is projecting flat FTE enrollment for graduate and undergraduate students. The FY18 actual undergraduate enrollment was 321 students less than the original budgeted FTEs for FY18, and graduate enrollment was 82 students lower. This resulted in the FY18 budget reflecting a reduction of 403 students. The Law School enrollment increased by 28 students or 17.4%. New recruitment strategies including Constituent Relationship Management (CRM) techniques and expanded territorial markets are planned in FY19. Undergraduate programs targeted for growth include biomedical engineering, business, criminal justice, cybersecurity, computer science and fine arts. Graduate programs in law and business are also expected to grow.

Students (FTEs)	Budget FY2019	Projection FY2018	Variance		Actual FY2017
			#	%	
Undergraduate: In State	5,267	5,117	150	2.9%	5,433
Undergraduate: Out of State	465	465	0	0.0%	470
Undergraduate: Total	5,732	5,582	150	2.7%	5,903
Graduate: In state	476	476	-	0.0%	461
Graduate: Out of State	405	405	-	0.0%	476
Graduate: Total	881	881	-	0.0%	937
Continuing Education	476	508	(32)	-6%	331
Online	347	315	32	10%	338
Total FTE Enrollment	7,436	7,286	150	2.1%	7,509

Retention/Persistence Efforts

Freshman year was re-engineered to include focused advising/help services for undecided students. All colleges have added professional advisors to support undergraduates. First-year

retention rate in fall 2017 was 74.2% up from 73.4% in 2016. The 4-year graduation rate increased from 37.2% (2016) to 37.1% (2017) while the 6-year graduation rate increased from 48.8% (2014) to 48.5% (2017). New early intervention strategies and expanded Summer Bridge programs are planned in FY19.

FY19 Staffing

The Dartmouth campus has no plans for a reduction in force at this time. The campus began an Executive Staff Review Committee to review all vacant and proposed positions. The Committee is composed of senior level members of the cabinet who meet weekly to discuss various position requirements including promotions. However, in FY19 we do plan to take a hard look at staffing, incorporating a perspective toward “right sizing” to the current scale of the University’s operations.

FY19 Employee FTE Report				FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE					(1)	(1)
Restricted	Unrestricted		Totals	Totals	Totals	
36	1,151		1,187	1,187	1,119	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary			
36	1,045	106	1,187	1,187	1,119	
FUNCTIONAL EMPLOYEE CATEGORIES						
Faculty	4	452	-	456	456	423
Staff	32	593	106	731	731	696
Executive / Administrative / Managerial	0	54	2	56	56	53
Professional Non Faculty	25	272	30	327	327	298
Secretarial / Clerical	2	158	8	168	168	166
Technical / Paraprofessional	4	44	2	50	50	50
Skilled Crafts	-	18	12	30	30	31
Service / Maintenance	-	47	52	99	99	99
Vacant / New				-	-	-

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

FY19 Programs – Planned changes

Allocation of the academic affairs budget is continuously reviewed in order to realign resources to match enrollment, instructional and research needs of colleges and departments. Over the past five years, realignment of faculty positions has yielding savings of \$2.5 million. Re-alignment of budget will be ongoing in the coming years as well. Academic Affairs will continue to work with Colleges and Departments to facilitate re-engineering of their existing programs, where needed and possible, to meet the changing needs of students.

Key Metrics

UMass Dartmouth is projecting to improve its operating margin for FY19. Staffing costs remain the single largest expense and the lack of funding of prior years’ collective bargaining agreements continues to hamper the campus’ ability to make strategic investments and increase our operating margin. A debt service ratio of 7.1% to operations is expected for FY19.

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	1.1%	0.7%	3.4%	3.1%	2.8%
Operating Margin (\$)	2,809	1,691	8,442	7,434	6,484
Operating Cash Flow Margin (%)	11.1%	10.6%	13.9%	12.1%	12.5%
Operating Cash Flow Margin (\$)	28,166	25,434	33,475	28,208	27,482
Debt Service Burden (%)	7.1%	7.5%	7.8%	8.4%	9.3%
Annual Debt Service Coverage (x)	1.5	1.4	1.8	1.4	1.3
Debt Service (P+I)	18,590	18,703	18,688	19,772	21,052
Spendable Cash & Investments to Operating Expenses (x)	0.21	0.20	0.20	0.17	0.16
FTE Enrollment	7,436	7,286	7,509	7,711	7,930

Campus Budget Reductions

In order to address budget shortfalls and generate limited resources to invest in new strategic initiatives having potential for revenue growth, the Dartmouth campus will implement the following:

- Continue reduced contingency expenses
- Revise O&M cost for new buildings (SMAST)
- Retain fraction of salary savings
- Use unspent endowment for operations where appropriate
- Monitor/reduce over-time expenses
- Position control and unit resizing
- Implement strategic budget planning/prioritization/reallocation

Conclusion

With new leadership in place, guided by a visionary Chancellor who has recruited a strong and dynamic senior team, UMass Dartmouth is at an exciting crossroads. We have and will continue to design strategies to create and support our brand, increase enrollment through both recruitment and retention, redesign our academic programs to prepare students for the future of work, engage our alumni and donor base, and enhance the on-campus student experience. UMass Dartmouth has constructed a proposed operating budget that relies on reasonably attainable revenues, aggressive controls on spending, and innovative strategies to yield highly positive outcomes and deliver high quality service to our students, the region and the Commonwealth.

Attachments:

- Campus Revenue and Expenses
- Tuition & Fee Schedule

FY19 University Operating Budget – Dartmouth Campus
 July 13, 2018

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	DARTMOUTH Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Gross Tuition & Fees	121,776	116,229	5,546	4.8%	115,421	112,467	108,033
Tuition Discounts	(38,467)	(38,470)	4	0.0%	(38,179)	(35,987)	(35,764)
<i>Tuition Discount Rate</i>	<i>31.6%</i>	<i>33.1%</i>			<i>33.1%</i>	<i>32.0%</i>	<i>33.1%</i>
Net Tuition & Fees	83,309	77,759	5,550	7.1%	77,242	76,480	72,269
Grants	19,100	19,100	-	0.0%	19,534	18,511	17,761
Sales & Service, Educational	96	96	-	0.0%	45	71	40
Auxiliary Enterprises	51,911	47,150	4,761	10.1%	48,349	48,835	47,374
Other Operating	3,550	3,550	0	0.0%	6,237	5,016	6,447
State appropriations	84,198	83,857	341	0.4%	80,436	75,971	70,006
Other NonOperating	18,396	17,321	1,075	6.2%	16,542	16,397	17,795
Total Revenues	260,560	248,833	11,727	4.7%	248,385	241,281	231,692
Expenses	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Salaries & Fringe	150,699	148,304	2,395	1.6%	142,247	142,174	138,028
Non-personnel	74,595	66,719	7,876	11.8%	64,262	63,166	54,923
Scholarships and fellowships	5,001	4,798	203	4.2%	4,821	5,001	7,442
Depreciation	21,503	19,927	1,576	7.9%	18,647	17,904	16,663
Interest	8,277	8,583	(306)	-3.6%	8,786	7,968	8,252
Total Expenses	260,074	248,330	11,744	4.7%	238,763	236,213	225,308

UNIVERSITY OF MASSACHUSETTS, DARTMOUTH

STUDENT TUITION & FEE SCHEDULES

FY 2019 TUITION & MANDATORY FEES

FY 2019 NON-MANDATORY FEES

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

FY 2019 TUITION & MANDATORY FEES
SUMMARY TABLE

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
UNDERGRADUATE					
TUITION					
Undergraduate (resident)	\$12,783	\$13,166	\$13,496	\$329	2.5%
Undergraduate (non-resident)	\$27,068	\$27,880	\$28,716	\$836	3.0%
Undergraduate (regional & proximity)	\$17,293	\$17,891	\$18,428	\$537	3.0%
MANDATORY FEES					
Student Fee	\$155	\$155	\$175	\$20	12.9%
Technology Fee	\$250	\$250	\$250	\$0	0.0%
TOTAL MANDATORY FEES & TUITION					
Undergraduate (resident)	\$13,188	\$13,571	\$13,921	\$349	2.6%
Undergraduate (non-resident)	\$27,473	\$28,285	\$29,141	\$856	3.0%
Undergraduate (regional & proximity)	\$17,698	\$18,296	\$18,853	\$557	3.0%
RESIDENTS ONLY					
Standard Room	\$7,951	\$8,191	\$8,600	\$409	5.0%
Standard Board	\$4,345	\$4,562	\$4,699	\$137	3.0%
Subtotal	\$12,296	\$12,753	\$13,299	\$546	4.3%
TOTAL TUITION AND ROOM & BOARD					
Undergraduate (resident)	\$25,484	\$26,324	\$27,220	\$895	3.4%
Undergraduate (non-resident)	\$39,769	\$41,038	\$42,440	\$1,403	3.4%
Undergraduate (regional & proximity)	\$29,994	\$31,049	\$32,152	\$1,103	3.6%
GRADUATE					
TUITION					
Graduate (resident)	\$14,999	\$15,449	\$15,912	\$463	3.0%
Graduate (non-resident)	\$27,068	\$27,880	\$28,716	\$836	3.0%
Graduate (regional & proximity)	\$19,053	\$19,686	\$20,277	\$591	3.0%
Graduate Law School (resident)	\$26,241	\$27,016	\$27,826	\$810	3.0%
Graduate Law School (non-resident)	\$34,393	\$35,413	\$36,475	\$1,062	3.0%
Graduate Law School (regional & proximity)	\$27,934	\$28,831	\$29,696	\$865	3.0%
MANDATORY FEES					
Student Fee	\$155	\$155	\$175	\$20	12.9%
Technology Fee	\$250	\$250	\$250	\$0	0.0%
TOTAL MANDATORY FEES & TUITION					
Graduate (resident)	\$15,404	\$15,854	\$16,337	\$483	3.0%
Graduate (non-resident)	\$27,473	\$28,285	\$29,141	\$856	3.0%
Graduate (regional & proximity)	\$19,458	\$20,091	\$20,702	\$611	3.0%
Graduate Law School (resident)	\$26,646	\$27,421	\$28,251	\$830	3.0%
Graduate Law School (non-resident)	\$34,798	\$35,818	\$36,900	\$1,082	3.0%
Graduate Law School (regional & proximity)	\$28,339	\$29,236	\$30,121	\$885	3.0%
RESIDENTS ONLY					
Standard Room	\$7,951	\$8,191	\$8,600	\$409	5.0%
Standard Board	\$4,345	\$4,562	\$4,699	\$137	3.0%
Subtotal	\$12,296	\$12,753	\$13,299	\$546	4.3%
TOTAL TUITION AND ROOM & BOARD					
Graduate (resident)	\$27,700	\$28,607	\$29,636	\$1,030	3.6%
Graduate (non-resident)	\$39,769	\$41,038	\$42,440	\$1,403	3.4%
Graduate (regional & proximity)	\$31,754	\$32,844	\$34,001	\$1,157	3.5%

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
Administrative Fees					
Orientation (Freshmen)	\$260	\$265	\$270	\$5	1.9%
Orientation International students	\$260	\$260	\$260	\$0	0.0%
Orientation Transfer Students	\$150	\$150	\$150	\$0	0.0%
Graduation Fee (final semester only)	\$180	\$180	\$185	\$5	2.8%
Nursing Exam Prep Fee	\$219	\$356	\$390	\$34	9.6%
NEW - Nursing Exam Security Software Fee (BS Students Sophomore-Senior)	\$0	\$0	\$100	\$100	100.0%
Readmit Fee (students withdrawals and reapply)	\$60	\$60	\$60	\$0	0.0%
Continuation of Thesis Fee	\$250	\$250	\$250	\$0	0.0%
Withdrawn on Exchange Fee foreign exchange programs	\$250	\$250	\$250	\$0	0.0%
Withdrawn on Exchange Fee Formal exchange programs	\$600	\$600	\$600	\$0	0.0%
Withdrawn on Exchange Fee-Co-op Exchange programs	\$105-\$305	\$105-\$305	\$105-\$305	\$0	0.0%
Student Teaching Practicum	\$750	\$750	\$773	\$23	3.1%
Health Fees					
Health Insurance	TBD			TBD	TBD
International Fees					
International Student Fee	\$520	\$520	\$520	\$0	0.0%
Hessen Exchange Program Fee German Exchange Program	\$10,000-\$14,400	\$10,000-\$14,400	\$10,000-\$14,400	\$0	0.0%
Program Fees					
Arts & Sciences Major Fee (Humanities & Social Sciences)	\$402	\$414	\$426	\$12	2.9%
Arts & Sciences Major Fee (Sciences)	\$805	\$829	\$928	\$99	11.9%
Visual & Performing Arts Major Fee	\$851	\$876	\$902	\$26	3.0%
Business Major Fee	\$441	\$455	\$468	\$13	2.9%
Nursing Major Fee	\$726	\$805	\$885	\$80	9.9%
Engineering Major Fee	\$805	\$1,200	\$1,350	\$150	12.5%
SMAST Major Fee	\$748	\$770	\$794	\$24	3.1%
SEPPCE Major Fee (formerly paying Arts & Sciences Fee)	\$402	\$414	\$426	\$12	2.9%
Technology Fee Law School	\$200	\$0	\$0	\$0	0.0%
Law School Summer Fee (per credit)	\$1,071	\$1,102	\$1,135	\$33	3.0%
Other Fees (Not Student Related)					
Applied Music (private music lessons)	\$643	\$662	\$733	\$71	10.7%
Alumni Fee**(final semester only)	\$20	\$20	\$20	\$0	0.0%

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Proposed	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
AUXILIARY CHARGES					
Auxiliary Fees					
Room and Board:					
Single Room	\$8,897	\$9,165	\$9,623	\$458	5.0%
Double Room	\$7,951	\$8,191	\$8,600	\$409	5.0%
Design Triple/Quad Room, Non A/C Trad	\$7,766	\$7,999	\$8,399	\$400	5.0%
Triple Room,w A/C: OG	\$7,942	\$8,179	\$8,588	\$409	5.0%
Double Room,A/C:OG/PD	\$8,466	\$8,719	\$9,155	\$436	5.0%
Cedar Dell "A" Room	\$8,785	\$9,049	\$9,502	\$453	5.0%
Cedar Dell	\$8,939	\$9,208	\$9,668	\$460	5.0%
New Apartments-4 Bedroom	\$9,337	\$9,618	\$10,099	\$481	5.0%
New Apartments-2 Bedroom	\$10,176	\$10,481	\$11,005	\$524	5.0%
Single,2-bed/1 bath a/c:Woodlands	\$9,756	\$10,049	\$10,551	\$502	5.0%
New Meal Platinum Plan	\$4,519	\$4,745	\$4,887	\$142	3.0%
New Meal Gold Plan	\$4,345	\$4,562	\$4,699	\$137	3.0%
New Meal Silver Plan	\$4,345	\$4,562	\$4,699	\$137	3.0%
New Meal Bronze Plan	\$2,720	\$2,856	\$2,942	\$86	3.0%
Parking:					
Reserved	\$550	\$550	\$550	\$0	0.0%
Summer Session	\$25	\$25	\$25	\$0	0.0%
Part-Time Students	\$50	\$50	\$50	\$0	0.0%
Part-Time Faculty & Staff	\$75	\$75	\$93	\$18	23.3%
Full-Time Students	\$185	\$185	\$185	\$0	0.0%
Resident Students	\$235	\$235	\$235	\$0	0.0%
Full-Time Faculty, Staff	\$150	\$150	\$185	\$35	23.3%
Program Fees (Continuing Education)					
*Division of Continuing Education					
Undergraduate Tuition (per credit)	\$322	\$332	\$332	\$0	0.0%
Undergraduate Tuition Accelerated BS in Nursing (per credit)	\$631	\$631	\$631	\$0	0.0%
Graduate Tuition (per credit)	\$379	\$0	\$0	\$0	0.0%
Undergraduate Tuition On-Line (per credit)	\$322	\$332	\$332	\$0	0.0%
Graduate Tuition On-Line (per credit)	\$379	\$0	\$0	\$0	0.0%
Graduate Tuition EDU & MAT program (per credit)	\$379	\$390	\$390	\$0	0.0%
Graduate Tuition ABA Program (per credit)	\$452	\$466	\$466	\$0	0.0%
Graduate MBA &MPP Program (per credit)	\$537	\$553	\$553	\$0	0.0%
Graduate MS in Computer Science Program	\$537	\$553	\$553	\$0	0.0%
Graduate MS in Nursing (per credit)	\$537	\$553	\$553	\$0	0.0%
On-line Technology Fee	\$150-\$200	\$150	\$150	\$0	0.0%
Application Fee	\$60	\$60	\$60	\$0	0.0%
Application Fee-ESL/ALCI	\$60	\$60	\$60	\$0	0.0%
ALCI/ESL Program Fee (per semester)	\$5,950	\$6,128	\$6,128	\$0	0.0%
Non-Credit Tuition	\$15-\$2000	\$15-\$2000	\$15-\$2000	\$0	0.0%

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Proposed	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
Campus Center (per credit)	\$5	\$5	\$5	\$0	0.0%
Library Fee (per credit)	\$6	\$6	\$6	\$0	0.0%
Registration (flat fee)	\$30	\$30	\$30	\$0	0.0%
Prior Learning Workshops	\$2,128	\$2,128	\$2,128	\$0	0.0%
College Fees	\$402-\$851	\$414-\$1200	\$426 - \$1350	\$0	0.0%
Corporate Contract Fee	\$133-\$500	\$137-\$515	\$137-\$515	\$0	0.0%
Pathways Program Fee in state (per semester)	\$5,298	\$5,430	\$0	\$0	0.0%
Pathways Program Fee out of state (per semester)	\$9,147	\$9,421	\$0	\$0	0.0%
Pathways Program Fee proximity(per semester)	\$7,221	\$7,438	\$0	\$0	0.0%
Student Teacher Practicum Fee (per 3 credits)	\$750	\$773	\$775	\$2	0.3%

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
Administrative Fees					
Application Fee (In-State)	\$60	\$60	\$60	\$0	0.0%
Application Fee (Non-State)	\$65	\$65	\$65	\$0	0.0%
Registration Fee Law School	\$200	\$200	\$200	\$0	0.0%
Late Fee	\$50	\$60	\$60	\$0	0.0%
Late Registration Fee (graduate only)	\$100	\$100	\$100	\$0	0.0%
Transcript Fee-Freshman Only	\$100	\$100	\$100	\$0	0.0%
Transcript nondegree only	\$20	\$20	\$20	\$0	0.0%
ID (Replacement Only)	\$30	\$30	\$30	\$0	0.0%
Enrollment Deposit	\$200	\$200	\$200	\$0	0.0%



LOWELL CAMPUS



FY19 Campus Budget Overview

The University of Massachusetts Lowell submits for review and approval its Fiscal Year 2019 Operating Budget totaling approximately \$470 million. The FY2019 Operating Budget presents a general plan for the year and outlines our priorities, resources and planned use of funds in FY 2019. The document considers the FY2017 actual financial statement results, the forecasted results for FY2018 and the projected outcome for FY2019 based on the campus budget planning and parameters established by the President's Office. Lowell's FY2019 Operating Budget has been developed within the context of our 2020 Strategic Plan and multi-year financial plan reviewed by the Board of Trustees in December 2017.

Key revenue and expense assumptions of the FY2019 budget include:

- State appropriation that reflects a one percent increase over FY2018 and no funds for FY2019 collective bargaining.
- Projected 5.1% increase in revenue from tuition and fees (net of financial aid) resulting from student charge increases for in-state and out-of-state undergraduate students and growth in undergraduate, graduate, out-of-state and continuing studies enrollment.
- Strategic growth-related cost increases include new faculty to maintain an 18 to 1 student to faculty ratio, financial aid and increases in operating funds for facilities and operations.
- Salary costs will increase 3.3% over last year and the cost of providing benefits is projected to increase 5.3% mostly due to the fringe rate increase.
- Other cost drivers include depreciation, operations and maintenance expenses and continued investments for student services, classroom technology and network improvements.

The overall result of the changes in budgeted revenues and expenses for FY2019 is a projected \$3.2 million surplus or a 0.7% operating margin. However, if the final state appropriation allocation to the Lowell campus is less than what is built into this budget and/or if the University does not support the student charge increases requested, the campus will have to implement more drastic budget solutions than those that are already planned which will stunt the campus strategic growth plan. In FY19 the campus will not fund \$15 million (or 4%) of Educational and General (E&G) costs and needs. These actions are in addition to the nearly \$7 million in personnel and non-personnel cuts implemented in FY17 and carried forward into FY18.

UMass Lowell 2020 Strategic Plan

UMass Lowell formally launched the public phase of *Our Legacy, Our Place: The Campaign for UMass Lowell* in 2016. This comprehensive fundraising campaign has a goal of \$125 million by 2020 and five clearly defined priorities consistent with the vision outlined in our strategic plan:

- Increase student scholarships to alleviate the student debt burden;
- Invest in first-rate faculty;



- Enhance our facilities and campus;
- Bolster our Division I athletics program; and
- Strengthen our alumni engagement.

The campaign is closing in on its initial goal, having raised nearly \$118 million to this point. Among the recent successes are a number of philanthropic milestones leading to the opening of the Pulichino-Tong Business Center, the naming of the both the Solomont School of Nursing and the Zuckerberg College of Health Sciences, and the dedication of Dandeneau Hall. Once our campaign goal has been reached, we will increase the goal to \$150 million by 2020, with a focus on enhancing student scholarship support.

The University of Massachusetts Lowell embarked on a strategic planning process in 2010 to define our vision for the future and create a road map to achieve our ambitious goals by 2020. We have regularly reviewed the plan with stakeholders from across the university community including the President's Office and Board of Trustees.

We hold ourselves accountable to the goals we have set. To measure our progress, the university publishes an annual Report Card ([UMass Lowell Report Card](#)). It is a useful gauge of what we have accomplished and what work remains ahead of us. The Strategic Plan was updated in March 2017 and the Report Card in March of 2018. As previously noted our multi-year financial plan (MYFP) is reviewed annually to reflect the planning, goals and benchmarks contained in the updates. The Lowell campus continues to aggressively pursue non-state revenues through expanded auxiliary operations such as hospitality and events services, our highly successful on-line, corporate and continuing education program and partnerships with industry and corporations.

Since 2010, the campus has made great progress in every area. Enrollment has climbed, research flourished, opportunities for experiential and international learning increased, the endowment has grown and collaborations with industry and other partners are thriving. In a sign of the national and international recognition of this progress, the university has steadily climbed in numerous college rankings.

Headcount enrollments grew 57% between 2007 and 2017 and FTE enrollments are projected to grow 2.7% this Fall 2018. UMass Lowell is expanding undergraduate out-of-state and international enrollments, Master's and on-line enrollments and is focused on increasing the retention and persistence of current students to maintain enrollment levels and improve student outcomes. The campus facilities master plans address the pressures of current and future growth including demand for new academic programs and residential and recreational facilities and the continued need to renew facilities with systems that show signs of obsolescence and address the backlog of deferred maintenance. There are no new buildings planned for the near future. The



focus of our efforts is on right-sizing and rationalizing space utilization, addressing deferred maintenance and making ADA-related improvements to all our facilities.

Multi-year Financial Planning

A critical element of the strategic plan is that it be financially sustainable into the future. The campus multi-year financial planning targets and annual operating budget goals are directed toward achieving positive annual operating margins, building sufficient reserves and maintaining a debt service ratio under the University policy cap of 8 percent. The strategic plan and updates to the campus multi-year financial plan and capital plan are reviewed annually by the President's Office and the Board of Trustees and have received support.

Enrollment growth has been a driving force behind the success of the strategic plan. Growing enrollments, resulting from growing demand, has created economies of scale in facilities use and service delivery and generated the additional revenues to make further investments in those areas that would improve student success and enhance the quality of the academic and research program including the many new and renovated facilities across all three campuses.

The campus has embraced and is implementing many academic and administrative efficiency and effectiveness initiatives and ideas generated throughout the University system. It is through the combination of increasing revenues through enrollment, fundraising, sponsored research and entrepreneurial activities and controlling costs that will result in a financially sustainable future. Slowing down any of these efforts will impact progress.

The last time the campus and University system updated the multi-year financial plan (FY2018 to FY2023) was in September of 2017. Prior to that update, the campus made adjustments to some key planning assumptions to reflect the updated strategic plan including a reduction in the campus enrollment target for 2020 from 20,000 headcounts to 19,000 and related revenue and expense items such as tuition and financial aid. We also adjusted the annual growth targets out through FY2023.

These baseline assumption adjustments impacted the operating margins and ratios presented to the Board of Trustees in December 2017 and continue to be reflected in the FY2019 Operating Budget.

Key elements of our strategic planning include:

Academic Program Vision and Value Proposition:

UMass Lowell strives to offer our students the highest quality academic programs, hands-on learning, and the application of classroom knowledge for applied real-world problem solving. As



a result of these educational elements, UMass Lowell students have high placement rates upon graduation in meaningful, well-paying careers. We are fortunate to have a large cadre of private-sector partners for internships, co-op experiences, service-learning opportunities, capstone project sponsors, and DifferenceMaker project advisers. These partnerships also extend to our cooperative research endeavors. This immersion in real-world applications is foundational to the educational experience at UMass Lowell .

The value proposition of UMass Lowell is ***a highest tier educational experience coupled with affordability***. We understand many of our students are first-generation students from diverse socio-economic backgrounds and are therefore conscious to keep tuition and fees as low as possible while enabling the growth in services essential to provide our expanding student body with high quality support, such as advising and mentorship. We are also conscious to allocate significant financial aid resources in our budget in order to meet the needs of our students, enabling them to graduate with a minimal debt burden compared to peer institutions. This effort has continually improved our graduation rates.

The University uses a number of comprehensive reviews (AQAD, accreditation, new program approval processes, etc.) to assess quality, student demand, student satisfaction, areas of improvement, and new opportunities for investment or reallocation. As a result of such periodic reviews, several programs have been modified or closed. Regional, Economic and Social Development (RESO), Civil Engineering Technology, and Industrial Technology were closed, and Nuclear Engineering was consolidated into the Chemical Engineering curriculum as a Nuclear Engineering option. In addition, 13 Graduate Certificate programs were discontinued due to consistently low demand.

Implementation of the DataMart this year has enabled effective assessment of departmental productivity. Utilization of course capacity has been increased significantly and we are able to assess academic degree program and departmental productivity in ways that we have not been able to accomplish systematically in the past. This will allow us to deploy our faculty resources and academic budgets more strategically, efficiently and with greater effectiveness.

Enrollment Strategy:

First-Time First-Year Undergraduates & Transfers

- As previously noted, the campus has reduced its 2020 enrollment target from 20,000 headcount (15,500 FTE) to 19,000 headcount (15,000 FTE). This change represents an annual growth rate of 2.0% year-on-year (FTE students).
- Our FTE target for Fall 2018 is 14,836 a 2.9% increase over FY18. Reaching this target is dependent upon a combination of recruitment of First-Time First-Year (FTFY) freshman, recruitment of transfer students, retention of admitted students, progress of upperclassmen in their degree plans, and graduation rates.



- Our incoming class of FTFY undergraduate enrollment in FY18 was 1,997. Our goal for FY19 is 7.6% growth (2,150). We attribute this increase to the engagement efforts of our department chairs and deans this past year, and their emphasis on yielding admitted students through welcome days and orientation.
- TargetX, anchored by Salesforce, has improved recruitment efforts by providing additional resources, including real-time measurement of engagement with prospective students, texting capabilities, and analytics that inform current and future marketing strategies. It has also provided a consolidated platform to manage daily operations, including more efficient and effective management of responses to inquiries from prospective students.
- We are making efforts to maintain the current level of 1,702 transfer students for this year (Fall and Spring). Maintaining this level of transfer students is dependent upon continued good relations with community college partners and state universities, through reverse transfer arrangements that mutually benefit both partners, in addition to maintaining the steady stream of transfer students from private institutions. We have established an effective partnership effort with Middlesex Community College to recruit, house and transfer students together.

Undergraduate Retention strategy:

- Understanding our student body and their challenges is crucial to our retention strategy. We have instituted a new retention structure which centrally coordinates all deans' office advising personnel, professional academic advisors, Dean of Academic Services, Vice Provost for Student Success, and Dean of Student Affairs. This structure includes coordinated tracking and outreach through Salesforce, understanding obstacles to student success, early intervention for students in academic difficulty, targeted advancement funds at the disposal of the Vice Provost for Student Success to address acute retention issues.
- Advising is critical to student success and retention. An integral part of the new retention strategy includes innovative approaches to advising.
 - Our new advising model ensures that each student will have an assigned professional staff adviser as well as an assigned faculty mentor. The advising "community" in each college will include an Honors liaison, and a Centers for Learning liaison for tutoring support.
 - Through the River Hawk Scholars Academy – a new program – we have invited 575 students possibly needing extra support into an integrated program of advising, a living learning community, tutoring services, first-year service-learning projects, strategies for success, and enrichment activities.
- The first year engagement experiences are critical to student success and retention. We have instituted first-year seminars in each college tied to disciplines and career opportunities. Students are offered the chance to participate in the DifferenceMakers



program and service learning opportunities, and we have expanded out Living-Learning Communities to 33.

Financial Aid Strategy:

The campus has set a 2020 goal to reduce undergraduate debt at graduation to \$30,000. This is an ambitious target that will require additional funding for financial aid as well as an all campus approach to supporting financial literacy programming for students and reducing time to degree completion. Institutional financial aid increased more than \$17 million between FY2015 and FY2018 from \$43.7 million to \$60.8 million (per the University Financial Aid Report). The FY2019 operating budget includes an increase of \$3.0 million in financial aid (additional financial aid funding has been requested and is under review). The new funds will allow us to meet approximately 88% of need as we continue to review the balance between need and merit aid and how we use endowment and campus funds to attract and retain students.

Graduate Student Enrollment Strategy:

- This year we restructured the Office of Graduate Programs, which now reports to the Vice Provost for Innovation & Workforce Development. These, and other, changes were the result of a comprehensive review of services by an external consultant. The institution of the new structure included the implementation of TargetX for identifying, tracking and recruiting prospective tuition-paying graduate students.
- The next cycle masters enrollment strategies will focus on the following:
 - Local recruitment with key partners through vertical industry associations, preferred graduate programs, and executive education
 - National recruitment focused on STEM graduate fields
 - Bachelors to masters transition focusing on scholarship funds to veterans and current bachelor students
 - One-prime markets of masters programs to enhance regional market competitions
 - Direct recruiting strategies with international student markets

OnLine Strategy:

- Online course enrollments grew 156% from AY07 to AY16 or from 10,476 to 26,834. A tremendous achievement but one that will be hard to match in the current competitive marketplace. Therefore, the campus has conservatively planned to grow course enrollments to 29,500 by 2020. Greater collaboration among the Colleges, Online and Continuing Education, business and industry will help us move forward in this critical area.
- Currently 85% of our online and continuing education courses are offered online; the target is to move this number closer to 95% in the coming years to further increase operating revenues, meet student demand and reduce growth pressures on our facilities.



- New strategic programming initiatives next year will include developing online concentrations for the newly launched Master of Science in Engineering Management as well as a new online Master's degree in Public Administration.
- Corporate partnerships that contribute to workforce development in the state of Massachusetts will be expanded. Online and Continuing Education recently renewed a partnership with Mass Development to continue its' financial support of two very popular UMass Lowell online graduate certificate programs for the next three years: 1.) Graduate Certificate program in Cyber Security offered at Hanscom Air Force Base and 2.) Graduate Certificate program in New Venture Creation at Natick Labs.
- UMass Lowell already has a sizeable number of online enrollments outside of Massachusetts and will invest in recruiting more students nationwide.
- To better accommodate our increasing online student population, the campus will modernize our student recruitment and support services. We are in the process of implementing TargetX Salesforce to increase our capacity to recruit, admit and retain students.

Employee Planning

- As part of our multi-year planning the campus targets an overall student to faculty ratio of 18 to 1 and allocates new funding for faculty to maintain that ratio as enrollments grow and change. We are currently operating at 17 to 1.
- The campus eliminated or deferred 40 staff positions over FY2016 and FY2017 to adjust to the reduction in state support and impacts of the then unfunded collective bargaining agreements and intends to selectively hire staff in critical areas to support increased campus square footage, provide student support services and support the strategic plan.
- The campus implemented an essential hiring review process in 2016 and proactively manages and budgets all positions to maximize vacancy savings during the fiscal year and to control growth in the base budget. This allows us to realize one-time savings from vacancies on an annual basis

Fundraising

- Using the Twelve Characteristics of a Successful Advancement Program as a guidepost, FY19 will find an enhanced effort in both alumni engagement and focused fundraising. In addition to our continued approach to increasing the endowment for student financial aid and faculty support, we will accelerate our fundraising efforts for the renovations of Perry Hall and Coburn Hall.



- We have had incredible success with our Days of Giving in 2017 and 2018 and will continue to use this as a way to inspire giving among new donors, as well as to bring lapsed donors back into the fold.
- With the success of the system-wide alumni events and the growth of our alumni activity worldwide, we will continue to grow both the breadth and depth of our alumni participation.
- With a stable Advancement staff in place, we will work with the UMass Foundation to add training opportunities for our staff, to increase their fundraising and engagement capacity.

FY 2019 Budget Planning Assumptions

Revenues

State Support

The University of Massachusetts Lowell FY2019 operating budget utilizes the state appropriation allocation assumptions proposed by the President’s Office. The FY2019 state appropriation allocation assumption of \$120.4 million includes fringe benefits. Our budget also assumes that the campus will receive its full allocation of the FY2018 state appropriation and the one percent increase assumed for FY2019.

Enrollment and Student Charges

The Lowell campus anticipates an overall FTE student enrollment increase of 2.7% for Fall 2018 to 14,807 students on the way to our 2020 target of 15,000. As indicated, UMass Lowell is expanding undergraduate out-of-state and international enrollments, Master’s and on-line enrollments and is focused on increasing the retention and persistence of current students to maintain enrollment levels and improve student outcomes.

Students (FTEs)	Budget FY2019	Projection FY2018	Variance		Actual FY2017
			#	%	
Undergraduate: In State	9,192	8,898	294	3.3%	8,411
Undergraduate: Out of State	1,386	1,342	44	3.3%	1,326
Undergraduate: Total	10,578	10,240	338	3.3%	9,737
Graduate: In state	1,026	1,026	-	0.0%	1,008
Graduate: Out of State	768	768	-	0.0%	809
Graduate: Total	1,794	1,794	-	0.0%	1,817
Continuing Education	444	484	(40)	-8.3%	567
Online	2,020	1,906	114	6.0%	1,784
Total FTE Enrollment	14,836	14,424	412	2.9%	13,905



The university has proposed increasing mandatory tuition and fees by \$380 for all in-state undergraduate students and a 3% increase for out-of-state undergraduate students.

In-State Undergraduate Tuition & Mandatory Fees

	FY 18	FY 19	\$ Change	% Change
Lowell	\$14,800	\$15,180	\$380	2.6%

The enrollment growth and student charge increases will result in an estimated 5.1% increase in tuition and fee revenue (net of financial aid). Enrollment growth and efforts to expand the residential experience for students will generate a 1.7% increase in revenues from Residential Housing and Food Services. New revenues from the rate increases will support inflationary increases and capital improvements to residential and dining facilities. Financial aid continues to grow as a percent of tuition revenues to mitigate student charge increases. This ratio is expected to be 24% in FY19 up from 20% in FY16.

Grants & Contracts

Grant and contract revenue from all sources is projected to increase 3.2% in FY2019. In FY17 the university renegotiated the federal Facilities and Administration (overhead) rate up from 51% to 53% in FY17 and 55% in FY18. The F&A rate will further increase to 56.5% in FY19. F&A return is critical to offset costs incurred to support research and to seed and stimulate new research grants.

Expenditures

The campus has budgeted faculty in FY2019 with a targeted 18:1 student faculty ratio at the campus level. A multi-year faculty hiring plan is under development which will identify faculty resource needs at the College and Department levels and inform our resource allocation plan in the future. Staffing levels have increased in areas of critical importance to the strategic plan, primarily in the facilities, public safety, student services and academic support areas. However, the campus intends to limit any new staff hires in FY2019 to only those personnel essential to the health and safety of the campus community or are critical to enhancing student success and revenue growth.



FY19 Employee FTE Report				FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE					(1)	(1)
Restricted	Unrestricted			Totals	Totals	Totals
110	1,910			2,029	1,961	1,866
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary			
110	1,822	89		2,029	1,961	1,866
FUNCTIONAL EMPLOYEE CATEGORIES						
Faculty	10	832	-	843	807	783
Staff	100	989	89	1,187	1,105	1,082
Executive / Administrative / Managerial	-	66	3	69	65	63
Professional Non Faculty	86	688	40	813	764	738
Secretarial / Clerical	0	54	7	61	55	56
Technical / Paraprofessional	14	64	4	82	81	85
Skilled Crafts	-	48	13	61	53	55
Service / Maintenance	-	69	22	91	87	85
Vacant / New				9	49	

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

Total campus operating expenditures are budgeted to increase 3.4%. The overall result of the changes in revenues and expenses is a projected positive 0.7% operating margin for FY2019. Achieving this bottom line will require the campus to continue to reallocate and reduce funding for personnel and non-personnel activities. In FY19 the campus will not fund \$15 million (or 4%) of Educational and General (E&G) costs and needs.

Capital Planning & Facility Improvements

During fiscal year 2019 UMass Lowell will continue to move forward with its highest priority capital projects, primarily a renovation program, despite a multiyear hiatus in state support for our capital plan. As previously noted, there are no new buildings planned for the near future. The focus of our effort is on improving space utilization, addressing deferred maintenance and making code and ADA-related improvements to our facilities.

In February of 2015, the campus borrowed \$100 million through UMBA to finance the McGauvran Dining hall renovation project, the Pulichino-Tong Business (PTB) Center construction project and the acquisition of Perkins Apartments which have been converted to student housing this past fall. McGauvran opened in spring of 2015 and the PTB project was dedicated in April 2017. Additionally, the significant North Campus Quad pod project, which provided vital ADA and infrastructure improvements, was completed in the fall of 2016. This project and the space freed up with the occupancy of the PTB, provide a tremendous opportunity to begin the much-needed upgrades to the North Campus Science and Engineering buildings. All projects were completed on time and on budget.



The renovations of Dandeneau and Perry will be complete in August 2018 and Jan 2019 respectively. The full renovation of Coburn Hall and the partial renovation of our Olsen Hall science building are moving forward despite the current hiatus in state capital funding. Coburn work will begin this summer. The University has submitted a request to the state for funding \$25 million to support the Coburn and Olsen projects, however, our multi-year financial plan does not assume that the campus will receive these funds. If the state does provide funding, the campus will be able to make greater progress on Olsen Hall and reduce the need of campus funds for Coburn enabling projects

Based on an in depth FY17 analysis conducted by Sightlines, the campus has a deferred maintenance project backlog of \$ 925 million that needs to be addressed over the next 10 years. While documenting the challenges, the study also commended UMass Lowell's commitment to capital investments in major renovation projects and its annual funding of deferred maintenance projects, which exceeds that of peer institutions.

Approximately 73 percent of this backlog represents immediate needs (0-3 years) whereby critical facility subsystems such as HVAC, electrical and plumbing systems, building envelopes and roofs have impending failure or are functioning at greatly degraded efficiency and increased expense. In addition, the Sightlines report has identified the systems that will come to the end of their useful lives over the next ten years as well as those spaces that will need renewal such that they can continue to meet the programmatic needs of the campus.

To simultaneously meet the functional needs of a growing research university as well as reduce the deferred maintenance backlog, the campus has prioritized renovation projects in its capital plan. The vast majority of spending planned during the FY2018-23 period will address longstanding deferred maintenance and increase the accessibility, utilization, and functionality of existing campus buildings. Key projects include the full renovation of Coburn Hall, the complete renovation of three floors of Dandeneau Hall, and the phased renovation of Olsen Hall.

Continued annual increases in operating budget allocations for preventative and on-going maintenance will also slow the growth of the backlog. The University's operating budget fully recognizes the costs of depreciation (consistent with the financial statement presentation). This recognition provides cash flow for campus capital improvements.

The campus has started or completed nearly all of the major facilities projects to be funded with debt in the current five-year capital plan. Moving forward, the primary sources of funds for new facilities, renewal, renovations and deferred maintenance will be the state, gifts, campus operating budgets and other external sources. The multi-year capital and financial plans are synchronized and updated regularly.



Campus Efficiency and Effectiveness Update

Striving to improve services and support a sustainable financial future are key elements of the Entrepreneurial Stewardship Pillar of Lowell's 2020 Strategic Plan. Numerous E&E initiatives in recent years reflect our on-going commitment to these goals. The campus has initiated many E&E projects and programs related to Energy, Information Technology, Human Resources, Purchasing and Revenue Generation. In addition, the campus is focusing on Academic Effectiveness and Efficiency efforts to identify programs focused on improving student success, course and program delivery, enhancing collaborations with other colleges and universities, laboratories and industry partners. The campus continues to look at ways to increase revenues through expanding the successful on-line program and enhancing our enrollment management activities to grow the number of out of state, international and Master's degree students.

Academic Efficiency, Quality and Innovation

Lowell's 2020 Strategic Plan is in alignment with the University's Academic E&E strategic priorities. The campus created the position of Vice Provost for Student Success and has reorganized a number of student service and advising programs under the Provost to improve retention and reduce the cost to students and their families, including exploring ways to reduce the cost of textbooks. We are implementing improved academic planning tools and systems to reduce low enrollment courses, improve class utilization and maximize enrollment in programs to more efficiently allocate faculty resources. Further reorganization of research administration and innovation and incubation programs and facilities will increase revenues and efficiencies in support of faculty and researchers.

Energy, Utilities & Sustainability

While the University continues to grow concurrent with increasing utility rates, we have set a goal to limit the increase of energy consumption on a per square foot basis. In FY2017, we reduced both energy consumption and cost on a per square foot basis by over 11% and 10% respectively. Net Metering Solar incentives, conservation projects and "mother nature" all contributed to these results.

Since 2011, energy consumption per square foot dropped 24.5%. We have done this, by proactively investing in conservation measures with campus funds as well as utility company financial incentives and grants. Concurrently we have limited the growth of our utility costs through peak demand management, strategic purchasing and utility bill management

Our \$26 million Accelerated Energy Project (AEP) in conjunction with DCAMM is about three quarters complete. It has conservation measures for 30 of our buildings with over 6,700 pieces of equipment upgraded ranging from heat plant boilers to LED lighting systems. The investment generates \$1.4 million of annual energy cost avoidance and addresses over \$10 million in deferred maintenance. AEP improves our energy consumption and is also addressing our infrastructure needs including boilers, air handlers, lighting and control systems. We've also



invested in a new electrical distribution system on south campus and new steam bunkers on North Campus.

Finally, the Lowell campus continues to partner with the system office and other campuses on system-wide contracting and procurement initiatives to drive savings and control costs and is excited with the launch of the “We are Better Together” business process review initiative that will drive savings, efficiencies and improved customer service throughout the University

Campus Ratios FY2018 and FY2019

Operating Margin

The University’s original FY2018 Operating Budget approved by the Board of Trustees had a planned operating margin of 0.5% or \$2.7M. Currently, the campus is forecasting a slightly better operating margin of \$5.8M or a 1.0%. The campus is budgeting a \$3.2M or 0.7% operating margin for FY2019.

Debt Ratio

The campus projects our debt ratio to be 7.5% in FY19. Our multi-year plan continues to hold this ratio under the 8.0% policy threshold.

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	0.7%	1.0%	2.2%	0.2%	0.8%
Operating Margin (\$)	3,167	4,607	9,424	696	2,928
Operating Cash Flow Margin (%)	13.8%	13.9%	14.6%	12.8%	13.3%
Operating Cash Flow Margin (\$)	63,592	62,378	62,350	51,839	50,613
Debt Service Burden (%)	7.5%	7.7%	7.3%	7.5%	7.6%
Annual Debt Service Coverage (x)	1.8	1.8	2.0	1.7	1.7
Debt Service (P+I)	35,146	35,004	31,155	31,295	29,330
Spendable Cash & Investments to Operating Expenses (x)	0.22	0.24	0.31	0.34	0.34
FTE Enrollment	14,836	14,424	13,905	13,621	13,369

Attachments

- Campus Revenue and Expenses
- Tuition & Fee Schedule



*FY19 University Operating Budget – Lowell Campus
July 13, 2018*

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	LOWELL		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Gross Tuition & Fees	269,821	256,665	13,156	5.1%	243,228	224,065	205,731
Tuition Discounts	(64,403)	(60,709)	(3,694)	6.1%	(54,517)	(45,417)	(40,768)
<i>Tuition Discount Rate</i>	23.9%	23.7%			22.4%	20.3%	19.8%
Net Tuition & Fees	205,418	195,956	9,462	4.8%	188,711	178,648	164,963
Grants	44,584	43,217	1,367	3.2%	42,190	41,346	44,186
Sales & Service, Educational	814	790	24	3.0%	767	89	66
Auxiliary Enterprises	66,774	65,846	928	1.4%	60,570	57,782	52,725
Other Operating	7,435	7,218	217	3.0%	7,008	7,984	8,205
State appropriations	120,354	118,770	1,584	1.3%	111,859	104,725	96,633
Other NonOperating	28,032	29,177	(1,145)	-3.9%	28,738	27,826	23,378
Total Revenues	473,410	460,974	12,436	2.7%	439,843	418,400	390,156
Expenses	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Salaries & Fringe	273,894	263,926	9,968	3.8%	249,312	239,536	219,200
Non-personnel	124,252	122,156	2,096	1.7%	116,761	114,923	111,693
Scholarships and fellowships	11,261	11,011	250	2.3%	9,316	9,134	9,383
Depreciation	39,236	36,682	2,554	7.0%	34,127	32,985	28,666
Interest	21,500	21,391	109	0.5%	18,790	21,272	18,371
Total Expenses	470,143	455,166	14,977	3.3%	428,306	417,850	387,313

UNIVERSITY OF MASSACHUSETTS, LOWELL

STUDENT TUITION & FEE SCHEDULES

FY 2019 TUITION & MANDATORY FEES

FY 2019 NON-MANDATORY FEES

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

FY 2019 TUITION & MANDATORY FEES
SUMMARY TABLE

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	FY18-19 \$ change	FY18-19 % change
UNDERGRADUATE					
TUITION					
Undergraduate (in state)	\$13,932	\$14,350	\$14,710	\$360	2.5%
Undergraduate (out-of-state)	\$30,500	\$31,415	\$32,357	\$942	3.0%
Undergraduate (regional & proximity)	\$24,114	\$25,029	\$25,971	\$942	3.8%
MANDATORY FEES					
Campus Technology Fee (Undergraduate and Graduate)	\$250	\$250	\$250	\$0	0.0%
Student Activity Fee (Undergraduate& Graduate)**	\$125	\$200	\$220	\$20	10.0%
TOTAL MANDATORY FEES & TUITION					
Undergraduate (in state)	\$14,307	\$14,800	\$15,180	\$380	2.6%
Undergraduate (out-of-state)	\$30,875	\$31,865	\$32,827	\$962	3.0%
Undergraduate (regional & proximity)	\$24,489	\$25,479	\$26,441	\$962	3.8%
RESIDENTS ONLY					
Average Residence Hall Rent	\$7,975	\$8,254	\$8,400	\$146	1.8%
Average Board	\$4,098	\$4,242	\$4,348	\$106	2.5%
SUBTOTAL	\$12,073	\$12,495	\$12,748	\$253	2.0%
TOTAL TUITION AND ROOM & BOARD					
Undergraduate (in state)	\$26,380	\$27,295	\$27,928	\$633	2.3%
Undergraduate (out-of-state)	\$42,948	\$44,360	\$45,576	\$1,215	2.7%
Undergraduate (regional & proximity)	\$36,562	\$37,974	\$39,189	\$1,215	3.2%
GRADUATE					
TUITION					
Graduate (in state)*	\$14,304	\$14,590	\$14,590	\$0	0.0%
Graduate (out-of-state)*	\$25,853	\$26,370	\$26,370	\$0	0.0%
Graduate (regional & proximity)*	\$21,884	\$22,401	\$22,401	\$0	0.0%
MANDATORY FEES					
Campus Technology Fee (Undergraduate and Graduate)	\$250	\$250	\$250	\$0	0.0%
Student Activity Fee (Undergraduate& Graduate)**	\$125	\$200	\$220	\$20	10.0%
TOTAL MANDATORY FEES & TUITION					
Graduate (in state)	\$14,679	\$15,040	\$15,060	\$20	0.1%
Graduate (out-of-state)	\$26,228	\$26,820	\$26,840	\$20	0.1%
Graduate (regional & proximity)	\$22,259	\$22,851	\$22,871	\$20	0.1%
RESIDENTS ONLY					
Average Residence Hall Rent	\$7,975	\$8,254	\$8,400	\$146	1.8%
Average Board	\$4,098	\$4,242	\$4,348	\$106	2.5%
SUBTOTAL	\$12,073	\$12,495	\$12,748	\$253	2.0%
TOTAL TUITION AND ROOM & BOARD					
Graduate (in state)	\$26,752	\$27,536	\$27,808	\$273	1.0%
Graduate (out-of-state)	\$38,301	\$39,315	\$39,588	\$273	0.7%
Graduate (regional & proximity)	\$34,332	\$35,346	\$35,619	\$273	0.8%
* Graduate fee charges are on a 9 credit load basis.					
**\$20 increase to be directed toward Student Sustainability Initiatives					

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
<u>Administrative Fees</u>					
Mass PIRG (\$11/semester)*	\$0	\$22	\$22	\$0	N/A
Sustainability Fee (\$10/semester)	\$20	\$20	.		0.0%
<u>International Fees</u>					
International Student Fee	\$1,000	\$1,000	\$1,000	\$0	0.0%
Hessen Exchange Program Fee	\$3,500	\$3,500	\$3,500	\$0	0.0%
Study Abroad Fee	\$300	\$300	\$300	\$0	0.0%
<u>Health Fees</u>					
Student Health Insurance	\$1,435	\$1,568	\$1,614	\$46	2.9%
<u>Program Fees</u>					
HESI Nursing Exit and Specialty Exams (cost per exam)	\$47 to \$80	\$47 to \$80	\$47 to \$80	\$0	0.0%
Advanced Health Assessment Fee (Graduate) ***	\$400	\$450	\$450	\$0	0.0%
Ed. D Online Summer Residency Fee	\$850	\$850	\$850	\$0	0.0%
M.Ed. Curriculum & Instruction Pre-Practicum Charge	\$150	\$150	\$150	\$0	0.0%
<u>Differential Tuition Charges</u>					
Francis College of Engineering Fee	\$750	\$875	\$950	\$75	8.6%
Kennedy School of Sciences Fee	\$600	\$670	\$745	\$75	11.2%
Music Fee	\$670	\$670	\$670	\$0	0.0%
Art Fee	\$500	\$500	\$500	\$0	0.0%
Manning School of Business Fee	\$450	\$670	\$700	\$30	4.5%
College of Health Sciences Fee	\$600	\$670	\$700	\$30	4.5%

* Mass PIRG charges are subject to student referenda. Inactive in AY2016-17.
There will only be a charge if a majority of students vote in favor of fee.

*** Required of certain School of Health and Environment students taking a specific course at UMass Worcester.

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
AUXILIARY CHARGES					
Auxiliary Fees					
<u>Residence Halls Rooms:***</u>					
<u>Rate A</u>					
Concordia Double	\$7,975	\$8,254	\$8,400	\$146	1.8%
Fox Triple /Quad	\$7,975	\$8,254	\$8,400	\$146	1.8%
Leitch & Bourgeois Quad	\$7,975	\$8,254	\$8,400	\$146	1.8%
<u>Rate B</u>					
Fox Double	\$8,550	\$8,849	\$8,500	-\$349	-3.9%
<u>Rate C</u>					
Fox Enhanced Double	\$8,550	\$8,849	\$8,650	-\$199	-2.2%
Leitch & Bourgeois Double	\$8,550	\$8,849	\$8,650	-\$199	-2.2%
<u>Rate D</u>					
ICC Double (& Quad)	\$9,425	\$9,755	\$9,250	-\$505	-5.2%
<u>Rate E</u>					
Concordia Singles	\$9,425	\$9,755	\$9,950	\$195	2.0%
River Hawk Village Traditional		\$9,755	\$9,950	\$195	2.0%
Fox Special Single			\$9,950	\$0	NEW
Sheehy Suite	\$9,500	\$9,833	\$9,950	\$117	1.2%
<u>Rate F</u>					
Donahue Suites	\$9,500	\$9,833	\$10,350	\$517	5.3%
<u>Rate G</u>					
Riverview Suites East	\$10,500	\$10,868	\$10,868	\$0	0.0%
<u>Rate H</u>					
University Suites	\$10,650	\$11,023	\$10,950	-\$73	-0.7%
<u>Rate I</u>					
Merrimack Double	\$10,650	\$11,023	\$11,123	\$100	0.9%
Concordia Apt			\$11,123	\$0	NEW
Riverview Suites West	\$10,950	\$11,333	\$11,123	-\$210	-1.9%
<u>Rate J</u>					
River Hawk Village Standard		\$11,023	\$11,333	\$310	2.8%
1301 Middlesex	\$10,950	\$11,333	\$11,333	\$0	0.0%
Merrimack Single	\$10,950	\$11,333	\$11,333	\$0	0.0%
<u>Rate K</u>					
River Hawk Village Delux		\$11,333	\$11,600	\$267	2.4%
River Hawk Village Delux Townhouse		\$11,851	\$11,600	-\$251	-2.1%
Meal Plan Options:					
Platinum Unlimited + 350 points and 8 guest meals	\$4,668	\$4,832	\$4,953	\$121	2.5%
Gold Unlimited + 200 points and 8 guest meals	\$4,502	\$4,660	\$4,777	\$117	2.5%
Silver 125 Block Meals and \$450 points and 5 guest meals	\$4,098	\$4,242	\$4,348	\$106	2.5%

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
Program Fees (Continuing Education)					
Continuing Studies/Corporate Education Tuition/Fees: *					
Undergrad Tuition per Credit Hour face to face**	\$340	\$340	Up to \$360	TBD	TBD
Graduate Tuition per Credit Hour face to face	\$575	\$575	Up to \$630	TBD	TBD
Undergrad Tuition (High Tech/Corporate)	\$450	\$450	Up to \$450	TBD	TBD
Undergrad Tuition (Online) per credit hour	\$375	\$380	Up to \$400	TBD	TBD
MSB Undergraduate Online Courses and Audit	\$375	\$385	Up to \$425	TBD	TBD
Graduate Tuition (Online) per credit hour	\$575	\$575	Up to \$630	TBD	TBD
Graduate Tuition (MBA) per credit hour	\$640	\$655	Up to \$835	TBD	TBD
Graduate Tuition (Education) per credit hour	\$470	\$470	Up to \$500	TBD	TBD
MSIT and Masters in Engineering Management	\$575	\$590	Up to \$625	TBD	TBD
Application Fee	\$60	\$60	UP to \$75	TBD	TBD
Registration Fee	\$30	\$30	\$30	\$0	0.0%
Late Registration Fee	\$50	\$50	\$50	\$0	0.0%
Returned Check Fee	\$30	\$30	\$30	\$0	0.0%
Parking Fees:					
a Faculty/Staff (per contracts)	\$350	\$350	\$350	\$0	0.0%
b Adjunct Faculty	\$80	\$80	\$80	\$0	0.0%
c Part-time Staff	\$175	\$175	\$175	\$0	0.0%
d Reserved/ Designated Parking	\$1,200	\$1,300	\$1,300	\$0	0.0%
e Resident Students	Up to \$450	Up to \$450	Up to \$450	\$0	0.0%
f Commuter Students	Up to \$450	Up to \$450	Up to \$450	\$0	0.0%

* In addition, Continuing Studies/Corporate Education also conducts a variety of community service and professional development, typically non-credit in nature which charges are set as appropriate to the activity.

** Tuition is priced on the listed credit hour unless the contact hour is different. Tuition is then based upon the listed contact hour.

*** Waived for Resident Advisors.

Parking fee notes:

d Cabinet members, \$1,300-TBD; Cumnock Designated, \$1,300-TBD; U Crossing Preferred, \$650; Wannalancit Preferred, \$650.

e,f No increase for students. Students accepted prior to 2014-15 academic year, \$367; students accepted in 2014-15, \$420 and new students accepted AFTER 2015-16, \$450

Parking Fines: minimum, \$25; snow emergency parking violation, \$25; parking without decal, \$50; Expired Meter \$25; Handicapped parking violations, \$100.

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY2018-19	% Change FY2018-19
SALES & SERVICE AND ADMINISTRATIVE CHARGES					
Administrative Fees					
Application Fee: Resident	\$60	\$60	\$60	\$0	0.0%
Non-Resident	\$60	\$60	\$60	\$0	0.0%
Graduate Certificate	\$50	\$50	\$50	\$0	0.0%
Returned Check Fee (Per Check)	\$30	\$30	\$30	\$0	0.0%
Late Fee (per Semester)	\$50	\$50	\$50	\$0	0.0%
Library:					
Lost Book Processing	\$30	\$30	\$30	\$0	0.0%
Replacement Book	\$130	\$130	\$130	\$0	0.0%
Lost Reserve Folder	\$30	\$30	\$30	\$0	0.0%
Corporate Library Patron	\$200	\$200	\$200	\$0	0.0%
Other Fees (Not Student Related)					
Trust Fund Overhead Charge	up to 20%	up to 20%	up to 20%	\$0	0.0%
Athletics:					
Basketball:					
Kid ticket	\$3	\$3	\$3	\$0	0.0%
Adult Ticket	\$5	\$5	\$5	\$0	0.0%
Ice Hockey:					
Kids Ticket	\$10	\$10	\$11	\$1	10.0%
Student Ticket - non-UMass Lowell	\$10	\$10	\$14	\$4	40.0%
Adult Ticket	\$15	\$15	\$17	\$2	13.3%
Senior Tickets	\$10	\$10	\$14	\$4	40.0%
Group Tickets (20 people or more)	\$5 & \$7	\$5 & \$7	\$7 & \$10	\$0	0.0%
<i>City Ticket Surcharge for all UML Hockey Games included above.</i>					
Recreation Center Charges:					
Senior Membership/12 Months 6:30 - 1:00 (tentative)	\$35-\$300	\$35-\$500	\$35-\$500	\$0	0.0%
Membership Card Replacement	\$20	\$20	\$20	\$0	0.0%
Special Programs and Classes	\$10-\$2500	\$5-\$2500	\$5-\$2500	\$0	0.0%

MEDICAL SCHOOL

FY2019 Medical School Budget Overview

The FY 2019 operating budget for the University of Massachusetts Medical School (UMMS) prioritizes ongoing commitments to academic, teaching, research, and infrastructure investment to maintain the institution's successful course in these critical mission areas. In support of this, UMMS continues to identify savings and cost avoidance measures in its ongoing Efficiency and Effectiveness Program (E&E), while maintaining our mission-critical programs and activities. The operating budget reflects proactive decisions by UMMS leadership to manage and limit non-essential and discretionary expenditures while investing in initiatives that enhance and extend the institution's reach to advance the health and well-being of the people of the commonwealth and the world through pioneering advances in education, research and health care delivery.

With a gift from the Li Weibo Charitable Foundation, UMMS established the Lie Weibo Institute for Rare Diseases Research, a foundational change in how faculty will collaborate and connect in the study of hundreds of the most challenging diseases that afflict humankind. The Institute and its members, drawn initially from the UMMS research faculty, will participate in an active and intensely multidisciplinary approach to the study of the origins of disease and the opportunities for treatment and cure. This transformational support for the work of UMMS faculty is testament to the campus strategy of prioritizing its core missions, even in the face of cyclical challenges in securing public funding.

UMMS continues to excel in its most important mission: to attract the best and brightest students who are the Commonwealth's future physician, nurse and research leaders. The School of Medicine, the largest of the three graduate schools, continues to be recognized as a national leader in primary care education. In the latest *U.S. News and World Report* graduate school ranking, UMMS continues to be in the top 10 percent of medical schools nationally for primary care, ranking 14th among 144 medical schools and 33 schools of osteopathic medicine, while maintaining a near perfect ranking for student satisfaction in the Association of American Medical Colleges' benchmarked data from all U.S. medical schools. The outstanding quality of the medical student cohort is reflected in the competitiveness of the applicant pool, the academic profile of admitted students, their performance on national licensure exams and their residency match results, with more than half of School of Medicine graduates staying in Massachusetts for their residency training.

The Graduate School of Nursing produces expertly trained and highly sought after graduates even as the landscape of advanced practice nursing changes: graduates from the Doctorate of Nursing Practice degree program, the Graduate Entry Pathway and the traditional PhD program are meeting important needs in areas of practice, education and research for the campus and the region. Students and faculty are recognized nationally for their contributions to nursing practice, research and education, including, this year, the 2018 American Nurses Association Excellence in Nursing Education Award for Massachusetts. The Graduate School of Biomedical Sciences, by attracting a highly regarded applicant pool to an exceptionally prominent faculty, a supportive environment and a curriculum that prepares graduates for a range of professions, consistently

educates and graduates scientists who achieve notable success in academia and industry. A new dean, associate professor of neurobiology Mary Ellen Lane, PhD, is a national leader in problem-based learning and curriculum innovation, important issues for biomedical sciences graduates as career paths for work in the field continue to broaden.

The medical school's successful research enterprise is a key component of the outstanding academic environment. The UMMS research enterprise, ranks in the top third among all U.S. medical schools for NIH funding. According to the Blue Ridge Institute for Medical Research, UMMS now ranks 32nd nationally and 14th among all public medical schools in this important metric. As competition for federal support for biomedical research increases, UMMS has made strides in diversifying funding sources from both philanthropic and foundation supporters, including prestigious organizations such as the Gates Foundation and the Suh Kyungbae Science Foundation.

Research at UMMS is driven by internationally renowned faculty members, including a Nobel Laureate; a Breakthrough Prize and Lasker Award recipient; members of the National Academies; and Howard Hughes Medical Institute investigators. Three members of the faculty were inducted this year into the prestigious American Academy of Microbiology, bringing to twenty-three the number of faculty in this influential group; another faculty member was inducted into the American Society for Cell Biology; others are members of the National Academy of Inventors, Keck Fellows and the American Association for the Advancement of Science. UMMS sponsored research awards trended flat after a year of unprecedented growth in FY 2018, when NIH awards grew more than 7%.

Campus Strategic Plan

"Vision 2020" represents a strategy for UMMS to shape the future of medical, nursing and science education, biomedical research and health care innovation. The operating budget is informed by and aligned with Vision 2020. Campus investments are mapped to overarching strategic goals that include: building a health care delivery and biomedical research workforce that makes a lasting difference to human health; transforming the research enterprise to drive the development of new therapies that improve individual and population health; establishing an information technology environment that helps to advance core mission areas; attracting the best talent in science, medicine and health care; re-designing the ecosystem for cancer research, care and training; and pursuing operational enhancements that better serve and support mission-based activities. The campus goals, it should be noted, advance the University System's overarching strategic priorities.

More than halfway through the Vision 2020 process, UMMS can point to the following achievements in execution of the strategic plan. The Vision 2020 strategic goals and progress toward them are listed below.

Education - Strategic Goal

As an innovative, interprofessional community of students and educators, we will build a health care delivery and biomedical research workforce that makes a lasting impact on human and community health.

Education - Milestones

- Populated clinical teaching affiliations with Cape Cod Health and Baystate Health and began support of medical students for the newly established regional campus, UMMS-Baystate, in Springfield and the innovative Population-based Urban and Rural Community Health track.
- Increased the School of Medicine's class size to 162 students; continued curriculum, student affairs and financial support necessary to support increased class sizes going forward.
- Successfully introduced the new cohort of select, highly qualified, out of state students into the learning community.
- Under the leadership of a new curriculum dean, began analysis of educational needs and opportunities in anticipation of accreditation visits.

Basic Research – Strategic Goal

Continuing to be a leader in Massachusetts life science research, we will enhance the basic science enterprise and drive intellectual excitement, potential new therapies and long-term sustainability through the engine of discovery, with special focus on areas of existing world-class strength.

Basic Research - Milestones

- Recruited a new Executive Vice Chancellor for Innovation and Business Development to manage expansive commercialization efforts for UMMS.
- Secured new competitively-funded research programs in HIV vaccine research (\$5 million for clinical trials) and outcomes research (\$6M for cardiovascular disease).
- Appointed new leadership of the Graduate School of Biomedical Sciences and the NeuroNexus Institute.

Translational Research – Strategic Goal

We will create a transformative research ecosystem that enables rapid development of products for clinical use, collaborates with the clinical system as a laboratory for clinical and translational research, and partners with the community to drive improvements in individual and population health.

Translational Research – Milestones

- The U.S. Food and Drug Administration (FDA) is evaluating approval of patisiran, a revolutionary new pharmaceutical based in part on the discoveries of UMMS faculty,

including the work of Nobel Laureate Craig Mello. When approved, the drug will be the first RNA-interference therapeutic approved for use in the US.

- The FDA approved Biogen’s Spinraza (its brand name for nusinersen) to treat spinal muscular atrophy, a rare neuromuscular disorder. The discovery was done in part by faculty at UMMS and licensed originally to Ionis Pharmaceuticals.
- Continued work on a compassionate use trial of a gene therapy for ALS.
- Established new industry collaborations focusing on gene therapy, neurodegenerative disease, ophthalmological disease, HIV/AIDs and RNA therapeutics.
- Launched Rabishield, a monoclonal antibody developed at UMMS MassBiologics, in collaboration with the Serum Institute of India.

Health Care – Strategic Goal

We will become the best academic health system in America based on measures of patient safety, quality, cost, patient satisfaction, innovation, education and caregiver engagement.

Health Care - Milestones

- Clinical partner UMass Memorial Health Care’s (UMMHC) financial performance in 2017 continued to succeed in the academic medical center marketplace, posting net revenues over expenses of \$10 million.
- Supported UMass Memorial’s procurement and rollout of a new technology upgrade and electronic health record, which will support UMMS efforts in population health research.
- Created new clinical departments in ophthalmology & visual sciences, neurosurgery and dermatology to strengthen clinical education mission.

Information Technology – Strategic Goal

We will establish an information technology environment that enables the best care and patient experience, educates the finest caregivers and scientists and accelerates future therapies.

Information Technology - Milestones

- Implementation of clinical research database strategy with UMass Memorial.
- Began implementation of website refresh and rollout of Office 365; improved financial services reporting dashboards for medical school managers.
- Upgrades to the Clinical Data Repository and REDCap data system for clinical, research and external data sources.

Talent – Strategic Goal

We will attract, inspire and cultivate outstanding talent in science, medicine and health care to become one of the nation’s most distinguished academic health sciences centers.

Talent - Milestones

- Rollout of a new Academic Personnel Policy.
- In partnership with leaders and managers across the Medical School, Human Resources introduced a new Competency Model to help drive the UMMS People Strategy.
- The Talent Acquisition Group used new career job families to leverage the skills and experience available within UMMS while bringing in top tier talent with the necessary capabilities to position the Medical School for long-term sustainable performance.
- Recruiting, hiring and retaining a diverse and inclusive workforce is critical to the long-term success of UMMS. Focusing on Diversity initiatives that included direct sourcing, college recruiting, community partnerships, expanded internship programs and diversity committees, from calendar years 2015 through 2017, the hiring yield for diversity candidates was 50%. From 2015 through 2017, there was increase in diversity hiring of 35% and disability hiring of 85%.
- In support of the professional development of leaders and managers, the “UMMS Manage and Lead” professional development program provided “Behavioral and Competency Based Interviewing and Hiring,” “How to Use the New Electronic Competency Based Job Description,” “Competency Based Performance Appraisal Goal Setting,” “Onboarding and Engaging Your New Hire” and “Conflict Management for Managers” training.
- In support of staff professional and personal development, “Becoming a Star at UMMS,” “Communicating with Impact,” “How to Have Effective 1:1’s with your Manager,” “Preparing for your Annual Performance Review Meeting” and “Organizing and Managing your Work” training was provided.
- Initiated sexual harassment prevention & awareness training and Title IX awareness training to faculty, staff and students.
- Continued the work of the Executive Council’s Ad Hoc Work Group on Underrepresented Minorities in Academic Health Sciences; convened groups to implement recommendations.

Cancer – Strategic Goal

We will provide a high-value ecosystem that maximizes opportunities and optimizes outcomes for our patients who seek prevention, treatments and cures for cancer; for our trainees who seek to become experts in all aspects of cancer; and for our researchers who seek new knowledge for the prevention, treatment and cure of cancer.

Cancer - Milestones

- Part of team awarded an \$8.75 million grant for reducing disparities in breast cancer care.
- Three UMMS postdocs were named American Cancer Society Fellows.

Services Integration – Strategic Goal

We will transform shared service operations to better serve and support mission based activities through alignment of purpose and integration of effort.

Services Integration - Milestones

- Initiated clinical faculty and support space renovations in clinical science wing.
- Partnered with UMass Memorial on IT strategic initiatives in support of electronic health record project.
- Collaborated on electrical transformer infrastructure improvements.
- Supported clinical system patient care area improvements, including shared clinical space for Veterans Affairs clinic in the Ambulatory Care Center.

FY 2019 Budget Planning Assumptions

FY 2019 Revenue

Operating revenues in FY 2019 are projected to be \$892.3 million, an increase of \$26.4 million or 3.0%, over projected FY 2018 revenue.

Research

Revenue from sponsored research is budgeted flat with FY 2018 at \$267.1 million. While it remains to be seen what the impact of the new federal budget will be, we have seen a leveling off of funding in the current year with awards from NIH through the second quarter flat with last year, and total awards down \$17.2 million. Indirect cost recovery rates are budgeted to remain level as FY 2019 is the last year of the current federal rate agreement.

Research efforts at UMMS have also yielded another new royalty revenue stream generated from increased product sales in FY 2018 over FY 2017. It is projected that this revenue stream will continue into FY 2019 contributing an additional \$7.3 million, net of inventor fees.

Student Charges

Net tuition and fee revenue is expected to grow by \$2.8 million in FY 2019 to \$27.4 million. This is attributable to:

- Year three of the planned increase of 37 out-of-state students to the School of Medicine class size for a total incoming class of 162 students. Out-of-state students will pay tuition and fees at the higher out-of-state rate. FY 2020 will be the final year for the increased incoming class resulting in a total of 148 additional out-of-state MD students;

- A proposed increase of 3% in tuition and mandatory fee rates for the Medical School, Graduate School of Biomedical Sciences and Graduate School of Nursing;
- On-line revenue continues to grow, doubling to \$952 thousand in FY 2019.

It is projected that the class size expansion, together with the addition of a cohort of out-of-state students, will generate \$1.9 million of additional revenue, and the rate increases will generate an additional \$0.9 million of revenue.

State Support

The state maintenance appropriation for FY 2019 reflects an increase of \$1.1 million for collective bargaining increases, along with associated fringe benefits, per the guidance provided by the President's Office.

The FY2019 budget includes \$2.4 million of state capital funding for UMMS for projects in the pipeline that are expected to be funded by DCAMM.

FY 2019 Expenditures

Overall, operating expenditures are budgeted to increase by \$26.4 million, or 3.1%, to \$874.4 million. The increase is primarily driven by growth in the independent business operations as well as budgeted salary increases. The budget assumes a 2% increase in salary rates which, with the associated fringe benefits, adds \$8.6 million in expenditures. Expenses in the independent business lines increase by \$13.8 million, driven by continued growth in those businesses, with corresponding growth in revenue.

Otherwise, expenditures are flat or decreasing compared with FY 2018, as the campus management continues to aggressively monitor spending and control costs across all departments and programs to maintain a positive operating margin. In FY 2018, management identified and implemented approximately \$8.5 million of additional reductions in administrative, academic and support departments, and those savings carry forward in the spending levels budgeted for FY 2019.

UMass Medical School's Independent Business Operations

The independent operations of Commonwealth Medicine and MassBiologics continue to contribute significantly to UMMS. For Fiscal 2019 these operations are budgeted to contribute a positive net margin of \$16.9 million. Of this amount, \$2.8 million from MassBiologics' margin will be transferred to a sinking fund for the debt service on their bonds.

More than a year ago, both Commonwealth Medicine and MassBiologics operations began a number of management actions to reduce costs and identify additional revenue opportunities, which were incorporated into the FY 2018 budgets. Additionally, Commonwealth Medicine

management continued this effort in FY 2018 scaling back marginal programs. The result was lower overall revenue and expenses and the elimination of approximately 68 full-time employees. The benefit of all of these management actions carries forward into the budgeted operating margin for these operations in FY 2019.

Capital Planning and Facility Improvements

The plan for FY 2019 anticipates approximately \$40 million in capital expenditures. Of this, \$2.4 million is from anticipated funding from DCAMM, with the remainder coming from campus funds generated by the independent business operations, Worcester City Campus Corporation, or the Medical School's operations. No additional borrowing or outside funding is assumed in the FY 2019 budget.

FY 2018 Enrollment – Recent history and projected enrollment changes

The School of Medicine's incoming class of 2022 will continue at the increased class size of 162 members. This class is expected to be composed of 43 out-of-state students and 119 in-state students to make up for the shortfall of out-of-state students in last year's incoming class and to maintain the overall average planned ratio of 37 out-of-state to 125 in-state students per class. By FY 2020, School of Medicine enrollment will have increased by a total of 148 students across the four-year curriculum, with a total of 500 in-state and 148 out-of-state students. The limited number of highly-qualified out-of-state medical students included in this planned class expansion will enhance and diversify both the applicant pool and student body and is expected to have a positive impact on the reputation and national profile of the institution. While there will be budgeted incremental costs associated with supporting the larger class size, the necessary facilities, infrastructure needs and teaching affiliates are, to a very large extent, already in place and can accommodate this expansion.

The enrollment levels in the Graduate School of Nursing, Graduate School of Biomedical Sciences and the MD/PhD Degree Program will remain largely unchanged from current levels. The table below summarizes overall student enrollment across the three graduate schools.

Students (FTEs)	Budget	Projection	Variance		Actual
	FY2019	FY2018	#	%	FY2017
Graduate: In state	762	768	(6)	-0.8%	772
Graduate: Out of State	349	306	43	14.1%	300
Graduate: Total	1,111	1,074	37	3.4%	1,073
Total FTE Enrollment	1,111	1,074	37	3.3%	1,073

FY 2019 Staffing - Recent history and projected staffing changes

Current staffing levels reflect the impact of reductions in force over the past several years, and those reductions carry forward into the FY 2019 budget. Staffing levels on restricted funds remain level, in line with the anticipated grant funding. Budgeted staffing levels on unrestricted funding grow modestly with the planned recruitment of seven new tenure track faculty positions, and planned growth in activity, primarily in the independent business units.

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
	1,132	2,523		3,950	3,654	3,444	
	Grants / Gifts /	General	Independent				
	1,132	1,232	1,292	3,950	3,654	3,444	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	242	215	13	470	470	410	
Staff	890	1,017	1,278	3,480	3,185	3,034	
Executive / Administrative / Managerial	13	57	72	141	141	154	
Professional Non Faculty	724	675	762	2,162	2,162	2,075	
Secretarial / Clerical	22	128	149	299	299	299	
Technical / Paraprofessional	127	91	154	373	373	298	
Skilled Crafts	-	13	76	89	89	84	
Service / Maintenance	4	52	66	122	122	124	
Not Defined (2)	-	-	-	-	-	-	
Vacant / New				295			

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

(2) FTEs without an assigned EEO6 (i.e. functional) category will be reviewed and corrected directly in PeopleSoft; this line is intended to have 0 FTEs assigned

Key Metrics

Operating margin for FY 2019 is budgeted at 2.0%, slightly lower than the 2.1% projected for FY 2018. The management actions implemented in FY 2017 and FY 2018 as discussed above, including reductions in administrative, academic and support department spending, improvements in margin from independent business operations, increased revenue from the increased medical school class size and increases in tuition and fee rates, and increased royalty revenue have enabled UMMS to achieve and maintain a 2% operating margin. The projected operating margin for FY 2018 was further positively impacted by one-time items including gifts, royalty payments and revenues in Independent Business Lines' operations.

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	2.0%	2.1%	3.2%	-1.1%	-4.2%
<i>Operating Margin (\$)</i>	17,902	17,929	30,671	(10,599)	(32,614)
Operating Cash Flow Margin (%)	13.2%	13.4%	12.8%	8.7%	8.4%
<i>Operating Cash Flow Margin (\$)</i>	117,508	115,512	124,814	85,444	65,287
Debt Service Burden (%)	6.1%	6.3%	6.0%	5.2%	6.2%
Annual Debt Service Coverage (x)	2.2	2.2	2.2	1.7	1.3
<i>Debt Service (P+I)</i>	53,025	53,559	56,725	51,464	50,133
Spendable Cash & Investments to Operating Expenses (x)	0.35	0.35	0.30	0.23	0.33
FTE Enrollment	1,111	1,074	1,073	1,056	1,071

No additional borrowing is planned for FY 2019. As a result, the debt service to operations ratio will decline slightly to 6.1% of operating expenditures. The increase in FY 2018 to 6.3% and subsequent decrease in FY 2019 results entirely from a decline and then growth in operating expenditures in those years.

The primary reserve ratio is projected to remain steady at 38.7% for FY 2018 and FY 2019. The flat trend is a result of the positive operating margin, offset by the use of unrestricted campus cash to fund increased capital expenditures.

Campus E&E Efforts

UMMS continues to achieve efficiencies through thoughtful and active management, aggressive cost containment and the adoption of LEAN practices across the enterprise. The UMMS E&E Program, now in its eighth year, created initiatives that generate revenue, reduce operational costs or streamline administrative processes, without impacting core mission activities in teaching, research and patient care. The EP has been the catalyst for a number of ongoing process improvements, some shared with our primary clinical partner UMass Memorial Health Care. The program continues to serve as the basis for ongoing improvement of business processes and operations. Because a significant portion of the UMMS operating budget, such as research funding and Commonwealth Medicine contracts for services, are restricted, the E&E Program focuses its initiatives on central administrative services and auxiliary operations for the Medical School, Commonwealth Medicine and MassBiologics.

Recent EP projects include reorganizing academic and program units; increasing class size expansion in the School of Medicine, including a cohort of highly qualified out-of-state students admitted to the MD program; aggressively managing hiring, position and vacancy control; and maintaining rigorous paid time off policies and accrual caps for employees (the most rigorous in the University).

Ongoing EP projects in FY 2018-19 include:

- targeted reductions in administrative budgets based on identification of operations that can be reduced or eliminated with the least impact on mission critical activities

- reduction in amount of spending for one-time or non-recurring support to departments
- additional energy efficiency efforts

UMMS was an early adopter of LEAN methodology training for managers to analyze potential initiatives and to produce options for improvements in all administrative functions. Over 700 personnel have been trained in Lean methodology through FY 2018.

Campus Budget Reductions

As noted above, the FY 2019 budget reflects the impact of a number of actions taken by management over the past several years to reduce costs, enhance revenues and position the campus to achieve and maintain the targeted 2% operating margin. These include:

- Increasing revenue from tuition through increasing the School of Medicine class size to 162 with 37 students at a higher out-of-state tuition rate;
- Increases in the tuition rates where possible while remaining competitive with peer institutions;
- Improving margin contribution from Commonwealth Medicine through identifying new revenue opportunities and reducing costs by eliminating staff positions that were not adequately supported;
- Improving margin contribution from MassBiologics through staff reductions and other expense reductions as well as additional revenue growth in contract manufacturing and international licensing opportunities;
- Reducing expenses through targeted reductions in administration and support departments including information technology, facilities, human resources, public safety, financial services, office of technology management, communications and diversity;
- Reducing expenses through targeted reductions in academic operations, including academic department non-base support, research core subsidies, global health office and faculty affairs office;
- Maximizing royalty revenue streams from the commercialization of UMMS research activities; and
- Philanthropic and management efforts to identify opportunities for new gift revenue.

These targeted actions have been devised to minimize the impact on the School's core teaching and research missions so that the educational experience of the students and the success of the research mission will not be compromised.

With continued diligence and monitoring of UMMS's various operations, the benefits realized with the implementation of these actions over the previous years will carry forward into FY 2019. In addition, a new Executive Vice Chancellor ("EVC") will lead Commonwealth Medicine in FY 2019. The EVC, along with other members of management, will focus on strategic, cost effective

pathways to continue to expand and strengthen business solutions to customers beyond Massachusetts. Management's commitment to improve efficiencies and enhance revenue opportunities will enable UMMS to achieve and maintain a 2% operating margin in FY 2019 and into the future.

Conclusion

Strategic investments, committed faculty support and fidelity to mission focus have kept UMMS at the forefront of academic health sciences research and education. The coming year, with expected approval of new therapeutics based on UMMS research and the establishment of the Li Weibo Institute for Rare Diseases Research, will call renewed attention to the commonwealth's only public medical school. As a part of a great university system, UMMS benefits from the growth, development and investments in the academic environment; the faculty; research & development; and especially in the national and international impact of the thousands of university alumni putting to good use the skills and training they acquired at UMass. UMMS has taken very seriously its institutional and societal responsibility to leverage its unique expertise and intellectual capacity to address the most challenging individual and public health issues facing Massachusetts and the global community.

From a system-wide perspective, UMMS is a valued partner with the other campuses, as demonstrated by the Medical School's coordination of the UMass Center for Clinical and Translational Science; the baccalaureate-MD pathway program; and the system-wide life sciences strategic plan. But UMMS is also aware that its specialized mission, world-class faculty and state-of-the-art infrastructure can be leveraged to the great advantage of the UMass system. To do so successfully, UMMS will continue to boldly and seriously pursue its mission.

Attachments:

- Campus Revenue and Expenses
- Tuition & Fee Schedule

FY19 University Operating Budget – Medical School
July 13, 2018

(\$ in Thousands)

Revenues	MEDICAL SCHOOL						
	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Gross Tuition & Fees	31,062	27,941	3,121	11.2%	24,206	20,881	18,929
Tuition Discounts	(3,626)	(3,262)	(364)	11.2%	(2,751)	(2,269)	(2,060)
<i>Tuition Discount Rate</i>	11.7%	11.7%			11.4%	10.9%	10.9%
Net Tuition & Fees	27,436	24,679	2,757	11.2%	21,455	18,612	16,869
Grants	267,101	267,898	(797)	-0.3%	275,662	258,499	254,296
Sales & Service, Educational	12,359	12,116	243	2.0%	12,790	12,443	10,261
Auxiliary Enterprises	31,607	30,987	620	2.0%	29,626	29,271	29,099
Other Operating	184,249	177,764	6,485	3.6%	190,611	258,246	91,425
State appropriations	55,816	54,659	1,157	2.1%	52,250	50,634	45,843
Other NonOperating	23,490	23,796	(306)	-1.3%	45,579	5,699	14,224
Independent Business Lines	294,013	277,769	16,244	5.8%	371,618	330,259	312,077
Total Revenues	896,071	869,668	26,403	3.0%	999,591	963,663	774,094
Expenses	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Salaries & Fringe	443,163	427,503	15,660	3.7%	407,304	407,159	383,248
Non-personnel	331,639	321,575	10,064	3.1%	439,960	484,916	331,473
Scholarships and fellowships	-	-	-	0.0%	-	-	-
Depreciation	68,973	66,115	2,858	4.3%	64,801	65,133	63,166
Interest	30,611	32,765	(2,154)	-6.6%	30,067	30,658	34,009
Total Expenses	874,386	847,958	26,428	3.1%	942,132	987,866	811,896

UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL

STUDENT TUITION & FEE SCHEDULES

FY 2019 TUITION & MANDATORY FEES

FY 2019 NON-MANDATORY FEES

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

**FY 2019 TUITION & MANDATORY FEES
SUMMARY TABLE**

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY 2018 - 19	% Change FY 2018 - 19
TUITION					
Medical School - (in-state)	\$33,600	\$34,600	\$35,500	\$900	2.6%
Medical School (out-of-state)	\$59,400	\$59,400	\$61,050	\$1,650	2.8%
Graduate School of Nursing: *					
In state students	\$9,900	\$13,500	\$13,870	\$370	2.7%
NE Regional	\$13,140	\$16,740	\$17,200	\$460	2.7%
Out of state	\$14,850	\$18,450	\$18,960	\$510	2.8%
GSN Graduate Entry Program (year 1):					
In state students	\$40,000	\$42,000	\$43,220	\$1,220	2.9%
NE Regional	\$47,000	\$48,000	\$49,400	\$1,400	2.9%
Out of state	\$53,000	\$54,000	\$55,580	\$1,580	2.9%
Grad. School of Biomedical Science (in-state)	\$6,424	\$13,930	\$14,300	\$370	2.7%
Grad. School of Biomedical Science(out-of-state)	\$13,640	\$30,533	\$31,400	\$867	2.8%
MANDATORY FEES					
Equipment Fee (Medical & Nursing Schools)	\$325	\$325	\$325	\$0	0.0%
Assessment Fee (Medical School)	\$600	\$600	\$600	\$0	0.0%
Certification Fee (Medical School)	N/A	N/A	\$120	N/A	N/A
Simulation Fee (CELS) (Medical School)	\$200	\$200	\$200	\$0	0.0%
Health / Counseling Fee (All Schools)	\$737	\$758	\$836	\$78	10.3%
Student Services Fee (All Schools)	\$195	\$195	\$195	\$0	0.0%
SUBTOTAL OTHER MANDATORY FEES					
Medical School	\$2,057	\$2,078	\$2,276	\$198	9.5%
Graduate School of Nursing	\$1,257	\$1,278	\$1,356	\$78	6.1%
Graduate School of Biomedical Science	\$932	\$953	\$1,031	\$78	8.2%
TOTAL MANDATORY FEES & TUITION					
Medical School - (in-state)	\$35,657	\$36,678	\$37,776	\$1,098	3.0%
Medical School (out-of-state)	\$61,457	\$61,478	\$63,326	\$1,848	3.0%
Graduate School of Nursing (in-state)	\$11,157	\$14,778	\$15,226	\$448	3.0%
Graduate School of Nursing (NE regional)	\$14,397	\$18,018	\$18,556	\$538	3.0%
Graduate School of Nursing (out-of-state)	\$16,107	\$19,728	\$20,316	\$588	3.0%
GSN Graduate Entry Program (in-state)	\$41,257	\$43,278	\$44,576	\$1,298	3.0%
GSN Graduate Entry Program (NE regional)	\$48,257	\$49,278	\$50,756	\$1,478	3.0%
GSN Graduate Entry Program (out-of-state)	\$54,257	\$55,278	\$56,936	\$1,658	3.0%
Grad. School of Biomedical Science (in-state)	\$7,356	\$14,883	\$15,331	\$448	3.0%
Grad. School of Biomedical Science(out-of-state)	\$14,572	\$31,486	\$32,431	\$945	3.0%

* Based on 18 credits

FY 2019 NON-MANDATORY FEES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY 2018 - 19	% Change FY 2018 - 19
Ph.D./MD (in-state) *****	24,830	34,600	35,500	\$900	2.6%
Ph.D./MD Years 1-2 (out-of-state) *****	38,288	59,400	61,050	\$1,650	2.8%
Ph.D./MD Years 3+ (out-of-state) *****	27,939	59,400	61,050	\$1,650	2.8%
Administrative Fees:					
Commencement Fee	\$252	\$252	\$252	\$0	0.0%
Extension Fee - Medical Students (in-state)***	\$22,990	\$22,990	\$23,680	\$690	3.0%
Extension Fee - Medical Students (out-of-state)***	N/A	N/A	\$40,730	N/A	N/A
Diagnostic Instruments - Medical Students	N/A	N/A	\$800	N/A	N/A
FSSC Fee (Nursing School acute subspecialties)	\$350	\$350	\$350	\$0	0.0%
Standardized Patient M/F Experience (Nursing School)	\$325	N/A	N/A	N/A	N/A
Typhon Software (Nursing School)	\$100	\$125	\$125	\$0	0.0%
Graduate Entry Program ATI Fee (Nursing School)	\$1,125	\$1,165	\$1,200	\$35	3.0%
Nursing Leadership Fee (Nursing School)	N/A	\$140	\$140	\$0	0.0%
Program Fees:					
Doctoral Continuation Fee - Graduate School of Nursing **	\$1,650	\$2,250	\$2,250	\$0	0.0%
Elective Fee - Medical School	\$65	\$65	\$100	\$35	53.8%
Elective Fee - International - Medical School	\$500	\$500	\$1,000	\$500	100.0%
Continuing Course Fee - Graduate School of Nursing	\$100	\$100	\$100	\$0	0.0%
Program Fee - PhD/MD and Grad School of Biomed. Sci. **	\$90	\$90	\$100	\$10	11.1%
On-line Technology Fee - Graduate School of Nursing	N/A	N/A	\$25	N/A	N/A
Lab Fees:					
Acute Care Lab Fee (Nursing School)	\$450	\$450	\$450	\$0	0.0%
Advanced Health Assessment (Nursing School)	N/A	\$1,000	\$1,000	\$0	0.0%
Clinical Lab Fee (Nursing School clinical year only)	\$1,500	\$2,000	\$2,000	\$0	0.0%
Health Assessment Lab Fee (Nursing School)	\$495	\$495	\$495	\$0	0.0%
Standardized Patient Lab Fee (Nursing School)	\$175	\$175	\$175	\$0	0.0%
Health Fees					
Disability Insurance*	\$72	\$72	\$72	\$0	0.0%
Supplemental Health Insurance ****	\$3,850	\$4,207	\$4,357	\$150	3.6%

* For AAMC accreditation, all Medical Students are required to hold some form of disability insurance. Disability insurance for Graduate Biomedical Science students is paid for by the Graduate School, and disability insurance is not available to students in the Graduate School of Nursing.

** Fees are on a per semester basis.

*** Fee is on an annual basis.

**** Supplemental Health Insurance and Disability Insurance fees are pass through costs and are subject to change pending final rates from the insurance carrier.

***** Ph.D./MD students are charged the MD or GSBS rates as appropriate for their year in the program and the PhD/MD fee is waived and only charged to the students if they later drop out of the program.

FY2019 STUDENT FEES FOR REVENUE-BASED OPERATIONS

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY 2018 - 19	% Change FY 2018 - 19
Grad School of Nursing On-line (per unit)	\$700	\$750	\$775	\$25	3.3%

FY2019 ADMINISTRATIVE CHARGES INCLUDING SALES & SERVICES

	FY2017 Actual	FY2018 Actual	FY2019 Proposed	\$ Change FY 2018 - 19	% Change FY 2018 - 19
Administrative Fees:					
Application Fee - Medical School	\$100	\$100	\$100	\$0	0.0%
Elective Application Fee - International - Medical School	\$100	\$100	\$200	\$100	100.0%
Application Fee - Grad. Sch. of Nursing	\$75	\$75	\$100	\$25	33.3%
Application Fee - Grad. Sch. of Biomed. Sci.	\$80	\$80	\$80	\$0	0.0%
GSN Registration Fee (non-matrices only)	\$30	\$30	\$30	\$0	0.0%
Late Registration / Late Payment	\$50	\$50	\$50	\$0	0.0%



PRESIDENT'S OFFICE



FY19 President's Office Budget Overview

The University of Massachusetts President's Office provides overall leadership to the University, coordinates with the campuses on various academic and financial initiatives, and provides shared services in the areas of information technology, internal audit, treasury, and procurement, among others. The President's Office represents the University in various ways including but not limited to with the Governor, Legislature, Executive branch agencies, the federal government and professional organizations. It also coordinates strategic planning efforts including academic affairs across the campuses, management and fiscal affairs including efficiency and effectiveness efforts, budgeting and forecasting, capital planning, information systems, legal matters, and human resources management. Overall planning, policy development and initiation of University-wide programs are carried out through the President's Office. These functions are carried out by several departments that report to the President and his Vice Presidents and are located in both Boston and Shrewsbury.

The Office of Academic Affairs, Student Affairs and International Relations (AASAIR) mobilizes system resources to ensure the high quality of the faculty, academic programs, students, and student services; to support the University's land grant promise, which emphasizes the integration of discovery, education, and engagement; and to promote local and global innovation. AASAIR works in partnership with campus provosts as they develop and implement policy in relation to faculty – in hiring, reviewing, and mentoring, as well as in the tenure process. AASAIR works directly with the University of Massachusetts Board of Trustees (BOT) as a liaison to the campuses to convey new campus programs; facilitate the implementation of BOT policies; answer BOT inquiries about the campuses; and report to the BOT annually on Academic Quality Assessment and Development (AQAD), the established cycle of review of academic departments and their programs, and the established cycle of review of tenured faculty, the periodic multi-year review (PMYR). The Office also serves as the University's link to the Massachusetts Board of Higher Education (BHE), bringing forward new programs from the campuses for approval to the BOT and then to the BHE. In addition, the office collaborates with the Executive Office of Education on policies and initiatives relevant to the Departments of Early Childhood Education and Elementary and Secondary Education. The office provides guidance to the campuses in program development, accountability, measurement, and institutional research. Through the Performance Measurement System (PMS) Report on Annual Indicators, which is the legislatively mandated accountability system, AASAIR tracks numerous indicators identified under the five Legislative and nine University strategic priorities. This office is also responsible for the development and production of several UMass reports that are produced annually. The office connects the campuses' chief research officers, chief student affairs officers, international relations officers, export control/compliance officers, institutional research officers, enrollment management, and admissions personnel. Campus vice chancellors for student affairs work with AASAIR, especially on issues that require compliance with Federal regulations. Likewise, the office provides guidance and works with campus research officers on the ever increasing export control compliance matters. The department also takes the lead in promoting local and global innovation



in discovery, education and engagement for the University, by fostering system-wide committees, shared programming, and international partnerships.

The Office of Administration & Finance and Treasurer houses the University Controller, Treasurer, Budget, Human Resources, Business Continuity and the University Procurement Office. The Senior Vice President works with the campus Chancellors and Vice Chancellors for Administration & Finance to assure that development and implementation of University fiscal and management policies proceed smoothly and enhance the programmatic goals of the University. Staff supports the Board of Trustees Administration & Finance Committee to ensure that the Trustees are fully informed and involved in making policy decisions necessary to preserve the financial, control, and cash integrity of the University. This work includes the coordination and development of University financial and budget documents. An ongoing part of the University's approach to sound fiscal management will be continued emphasis on clearly maintained fiscal indicators, an annual balanced budget, on time audited financial statements, a report on financial aid, and a quarterly review of the University's capital program.

The UMass President's Office Strategic Communications Department works to tell the University's story of education and impact in a compelling and purposeful way to local, national and global audiences. The department is responsible for the UMass system's marketing and communications efforts and also works closely with the University's campus communications offices. The Strategic Communications Department produces media advertising campaigns and generates media coverage aimed at bringing the UMass story to life. In addition, the department oversees the University system's digital and social media platforms.

The Office of Economic Development serves as a central coordinator and catalyst for mobilizing the resources of the University in support of our mission to help build the Innovation Economy of the Commonwealth. The department serves as a focal point for system-wide economic development initiatives, a facilitator of collaborative ventures with industry and state government, and a resource for campuses on economic development issues. Units in the department include: the Science & Technology Unit, the Office of Technology Commercialization and Ventures (which includes the Massachusetts Technology Transfer Center), and the Donahue Institute (the public service arm of the President's Office). The University's primary economic roles are in five key areas: science and technology-based economic development, R&D and innovation partnerships with industry and other research institutions, technology commercialization and entrepreneurship, workforce development, and economic research and analysis.

The Executive Office includes the President's staff, the Board of Trustees office and the Government Relations department. The Board office is the primary point of contact for Trustees and it is responsible for the management of the quarterly board meetings. The government relations division is engaged on both the federal and state level and works with the Congressional



Delegation, the Governor, the Legislature and the Executive branch agencies to promote the University's agenda.

The Office of General Counsel provides legal advice and representation to the Board, President, Chancellors, and University administration. The General Counsel is a Special Assistant Attorney General authorized to represent the Board, the University, and its employees in state and federal courts. The General Counsel retains outside counsel if needed for specialized legal matters and regularly assesses more cost-effective options. The Office advises the Board on questions of University governance and parliamentary procedure and regularly reviews Board policies to assure these remain current and appropriate. The Office provides legal advice to the Board and University administration on a wide range of legal matters, including procurement, employment, compliance, real property, intellectual property, student issues, and diversity. Attorneys work with departments on every campus and the system office to assist departments in achieving their business goals. The Office conducts training and develops work tools to educate employees on legal issues relating to their business. These efforts increase employee efficiency by reducing the time and expense of routine business processes, including procurement, personnel, and record retention. The Office works regularly with attorneys at key state agencies, including the Attorney General's office, the Board of Higher Education, the Ethics Commission, the Supervisor of Public Records, and with counsel for the Community Colleges and State Universities.

The University of Massachusetts Information Technology Services (UITS) organization supports a wide range of constituents, both at the campuses and the System Office. They are committed to providing high quality information technology service and leadership that aligns with the mission of the University of Massachusetts. The mission of UITS is to support the advancement of the University's core activities in the areas of instruction, research, and outreach operating within a framework of shared services. This mission is founded on the following key principles:

- Providing University-wide leadership for the planning, design, and provision of high quality information technology services.
- Maintaining a reliable and technologically advanced information infrastructure.
- Ensuring the judicious use of new technologies and models of service to enhance the academic and business functions of the University

UITS, under the leadership of the Vice President and University Chief Information Officer, work in continuous collaboration with the University Information Technology Leadership Council (Campus CIO's) as well as many of the key campus disciplinary governing bodies such as the Administration and Finance Council, Academic Advisor Council and the Chief Research Council. In collaboration with these groups UITS strives to provide both technical and strategic IT guidance and support related to the major shared application systems and technologies. A critical driver is



to provide a platform that contributes to the business and academic community's ability to meet their performance and outcomes goals. UITS strives to provide an environment of high quality service and responsiveness for our peers and constituents relative to the applications and technology that they support.

University Internal Audit ("Internal Audit") provides independent, objective assurance, consultative and investigative services designed to add value and improve the University's operations. Internal Audit helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of its control, risk management, and governance processes. It works with a network of Audit Liaisons that are located on each campus and within the System Office to coordinate internal and external audit activities. In addition, Internal Audit reports functionally to and supports the Audit Committee of the Board of Trustees.

Headquartered at the University's Collaborative Services Facility in Shrewsbury, UMassOnline is the University's online education consortium. UMassOnline enables the University to provide wider access to its educational programs via the Internet, while increasing revenues to support its campuses. UMassOnline's mission continues to be: 1) to provide access to a University of Massachusetts education to students who are unable to attend one of the campuses; 2) to serve community needs for education in critical areas of economic development, health and welfare and education; and 3) to raise revenues for support of students, faculty, teaching, outreach, and research. To this end, the UMassOnline team supports the campuses to develop, grow and market online programs by: 1) funding the development of new online programs; 2) providing faculty support, development and training; 3) providing technology support by creating and maintaining a robust platform for online learning; and 4) marketing programs to position UMass as a high-quality national player in online higher education and increase online course and program enrollments in Massachusetts, New England, national and international markets.

The Office of the President works closely with the UMass Building Authority and the UMass Foundation.

University Strategic Plan

The mission of the University of Massachusetts is "to provide an affordable and accessible education of high quality and to conduct programs of research and public service that advance knowledge and improve the lives of the people of the Commonwealth, the nation and the world."

The University of Massachusetts' approach to planning begins with a system mission and goals developed by and approved by the Board of Trustees. That mission and its accompanying goals provide the foundation for campus planning which results in campus specific plans that are developed through a joint iterative process with the Board. Commensurate with the planning



process, the campuses develop peer groups which are approved by the President. The approved plans and peers provide direction to the campuses which they use to chart their evolving course.

Each year the Board and the President provide guidance to the campuses relative to their progress in achieving their plans. That guidance comes through the review and approval, where appropriate, of progress reports and requests. These include: Campus strategic plans, Peer groups, Master plans, Enrollment plans, Budget (operating and capital), Programs, Annual performance goals (and any annual updates to the above). Each year, each campus updates a brief description of itself, a description that is both descriptive and based on Annual Indicators Report Data, including peer comparisons. These campus descriptions are rolled up into a system description providing an overview of the entire system as composed of its component parts. This roll up includes a projected view of how the campuses and the system will change over the next five-year period in several key areas.

FY19 Revenue

The FY19 budget for the President's Office relies on funding from each of the five campuses. No State appropriation is directed to the President's Office for use but is instead maximized at the campuses.

FY19 Expenditures

The major expense drivers of the President's Office are different from the campuses because there is no direct financial aid provided nor any capital expenses. The most notable budget increase is in support of employees including employee wage increases and costs associated with fringe benefit support provided to the State.

FY19 Staffing

The President's Office staff is composed of the category of professional staff (i.e. no faculty) that support University leadership, advocacy, Board relations as well as certain administrative functions including University IT Services, Treasury, and Budget, among others. UMass Online as well as Building Authority staff are included in the FTE count for the System Office.



FY19 University Operating Budget – President’s Office
July 13, 2018

FY19 Employee FTE Report				FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE				(1)		(1)
Restricted	Unrestricted		Totals	Totals	Totals	
91	324		415	394	384	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary			
91	324	-	415	394	384	
FUNCTIONAL EMPLOYEE CATEGORIES						
Faculty	-	-	-	-	-	-
Staff	91	324	-	415	394	384
Executive / Administrative / Managerial	17	58	-	76	76	71
Professional Non Faculty	60	203	-	263	258	252
Secretarial / Clerical	8	28	-	36	34	37
Technical / Paraprofessional	5	18	-	24	25	24
Skilled Crafts	-	-	-	-	-	-
Service / Maintenance	-	-	-	-	-	-
Not Defined (2)	-	-	-	-	-	-
Vacant / New	-	17	-	17	-	-

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

(2) FTEs without an assigned EEO6 (i.e. functional) category will be reviewed and corrected directly in PeopleSoft; this line is intended to have 0 FTEs assigned

Key Metrics

UMass President’s Office is projecting to increase its operating margin for FY19 in an effort to work toward a 2.0% margin in future years. The office has conservatively budgeted revenues and expenses while staffing costs remain the single largest cost driver.

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	1.3%	2.4%	6.4%	0.7%	-1.5%
Operating Margin (\$)	1,631	2,920	7,470	702	(1,415)
Operating Cash Flow Margin (%)	8.9%	9.0%	18.2%	16.4%	13.6%
Operating Cash Flow Margin (\$)	10,993	11,105	21,256	17,916	14,034
Debt Service Burden (%)	5.8%	3.4%	3.4%	3.7%	3.1%
Annual Debt Service Coverage (x)	1.6	2.7	5.7	4.6	4.7
Debt Service (P+I)	7,032	4,050	3,700	3,897	2,997
Spendable Cash & Investments to Operating Expenses (x)	1.64	1.63	1.86	1.44	1.83

Budget Reductions

While continuing to evaluate E&E Efforts, the President’s Office is also working to review spending on vendors and contracts to ensure costs are properly reflected and to consolidate contracts wherever possible to achieve savings. Additionally, since staffing is the largest expense, the review of all positions is underway and the ability to fill vacancies requires the highest levels of approval.

Attachment:

- Campus Revenue and Expenses



FY19 University Operating Budget – President's Office
July 13, 2018

(\$ in Thousands)

Revenues	PRESIDENT'S OFFICE						
	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Gross Tuition & Fees	6,684	6,805	(121)	-1.8%	6,461	5,204	4,701
Tuition Discounts	-	-	-	-	-	-	-
Net Tuition & Fees	6,684	6,805	(121)	-1.8%	6,461	5,204	4,701
Grants	17,325	20,277	(2,952)	-14.6%	18,644	13,848	11,358
Sales & Service, Educational	129	659	(530)	-80.4%	2,192	2,253	2,129
Auxiliary Enterprises	-	-	-	-	-	-	-
Other Operating	90,794	87,347	3,447	3.9%	80,649	78,416	76,489
State appropriations	138	125	13	10.4%	704	890	-
Other NonOperating	8,211	8,052	159	2.0%	7,757	7,010	5,166
Total Revenues	123,281	123,265	16	0.0%	116,407	107,621	99,843
Expenses	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Salaries & Fringe	61,399	56,341	5,058	9.0%	60,838	56,575	52,240
Non-personnel	51,371	56,174	(4,803)	-8.6%	34,936	35,026	36,812
Scholarships and fellowships	-	6	(6)	-100.0%	25	6	6
Depreciation	3,773	3,773	-	-	9,439	9,240	6,534
Interest	5,107	4,050	1,057	26.1%	3,700	3,897	1,747
Total Expenses	121,650	120,344	1,306	1.1%	108,938	104,744	97,339



BOARD OF TRUSTEES – FY19 BUDGET PRESENTATION

Senior Vice President's Report

Administration & Finance Committee

July 13, 2018



University of Massachusetts

Amherst • Boston • Dartmouth • Lowell • Medical School • UMassOnline

Agenda

- A&F Roadmap Update
- FY18 Q3 Projection
- Rating Agencies & Key Ratios
- FY19 Budget



A&F Roadmap: The Plan

Operational Improvements

- ❑ Enhance quarterly reporting
- ❑ A&F executive dashboard 1.0
- ❑ *We Are Better Together* business process redesign (BPR)
- ❑ Efficiency & effectiveness 2.0
- ❑ Enterprise risk management
- ❑ Talent assessment/acquisition
- ❑ Policies and procedures development
- ❑ Agreed upon procedures/operational review – 3rd party audit firm

Strategic Analysis

- ❑ 5-year forecast
- ❑ Historic trend analysis
- ❑ Enrollment tracking
- ❑ Performance indicators
- ❑ Peer benchmarking
- ❑ Credit rating stabilization
- ❑ Cost and margin analytics – per student and FTE; by commodity
- ❑ New budget & forecasting application

GO A&F Roadmap: Miles Traveled

Operational Improvements

- GO Enhance quarterly reporting:
 - Reports completed for FY18 Q1- Q3
 - Quarterly close process implemented
 - A&F executive dashboard reporting YTD revenue and expenses
- GO A&F executive dashboard 1.0:
 - Revenue, expenses, key ratios and forecast information available
 - Employee data wireframe developed
 - Student data including a break out of online
- GO Enterprise risk management:
 - First annual report presented at Audit Committee

Strategic Analysis

- GO 5-year forecast:
 - More details on revenue & expenses
 - Program area view of revenue & expenses
 - Trend analysis; enhanced enrollment tracking
- GO Performance indicators / peer benchmarking:
 - Added staffing ratios; retention and graduation Rates
 - Utilizing Moody's definitions, key ratios & peer data
- GO New budget & forecasting application: Vendor selected; implementation to begin in July
- GO Credit Rating Stabilization: Ratings affirmed by S&P (AA-), Fitch (AA), and Moody's (Aa2) upgraded to Stable outlook



A&F Roadmap: Upcoming Intersections

Operational Improvements

- Reserve Policy:
 - ❑ Developing standards
 - ❑ Final draft & Board vote in September
 - ❑ Insurance advisor hired; informs risk strategy
- Updates to Capital Planning, Land & Facilities Use Policy:
 - ❑ Spectrum of financing structures including P3
 - ❑ Enhancements for lifecycle cost, deferred maintenance, leases and ratios.

Strategic Analysis

- Real Time Enrollment Tracking:
 - ❑ Enrollment by Residency, New / Continuing, Online Only
 - ❑ Data directly from source system for Boston and Dartmouth; in progress for Amherst and Lowell
- P&L Reporting by Program Area:
 - ❑ Reporting from source system
 - ❑ Definitions of programs
 - ❑ Beginning with: Continuing Ed, Online, Centers & Institutes and Medical School Independent Business Lines
- Performance Indicators: Fundraising, Deferred Maintenance, Capital & Debt



Better Together UMass

- Business Process Redesign (BPR) Implementation:
 - ❑ Position Management
 - ❑ Vendor onboarding improvements
 - ❑ Procure to pay process improvements
- Standing Up a Shared Services Center:
 - ❑ Assistant Vice President of Innovation & Operational Services hired
 - ❑ A/P – advancing recommendations (Accenture)
 - ❑ Payroll – building on Dartmouth pilot
 - ❑ Development of system-wide student transfer platform

FY18: Q3 Report

FY18 Q3: Reflects Improvement from Budget

Year-end projected operating margin estimated at \$42.4 million or 1.3%

(Dollars in Thousands)

Campus	FY2018 BUDGET				Q3 FY2018 PROJECTION				vs. BUDGET
	Total Revenue	Total Expenses	OM\$	OM%	Total Revenue	Total Expenses	OM\$	OM%	OM\$ Change
Amherst	1,243,383	1,239,377	4,006	0.3%	1,256,254	1,237,999	18,255	1.5%	14,249
Boston	431,135	436,135	(5,000)	-1.2%	428,300	431,300	(3,000)	-0.7%	2,000
Dartmouth	251,717	251,175	542	0.2%	250,021	248,330	1,691	0.7%	1,149
Lowell	456,934	454,350	2,584	0.6%	459,773	455,166	4,607	1.0%	2,023
Medical School	909,991	907,932	2,059	0.2%	865,887	847,958	17,929	2.1%	15,870
Umass Online Services (1)	5,873	5,335	538	9.2%	6,805	6,812	(7)	-0.1%	(545)
Central	110,761	110,023	737	0.7%	116,459	113,532	2,927	2.5%	2,190
Total (2,3)	3,333,968	3,328,502	5,467	0.2%	3,303,858	3,261,455	42,403	1.3%	36,936

(1) Reflects operating costs of Umass Online; total Online revenue estimate for FY18 = \$116 million.

(2) Total Expenses does not include GASB 68 estimated at \$32.9 million.

(3) Total Expenses reflects 2% Collective Bargaining increase which adds a total of \$30.5 million in expenses of which \$14.1 million is funded by the State; this funding is expected through supplemental appropriation once contracts are ratified.

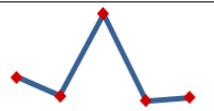
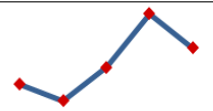
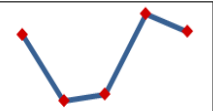
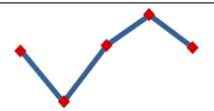

Rating Agencies & Key Ratios

Moody's Rating: Stable Outlook

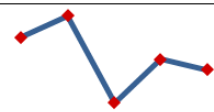

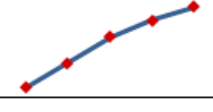
Aa2 credit rating affirmed and revised the outlook from negative to stable

Key Take Aways

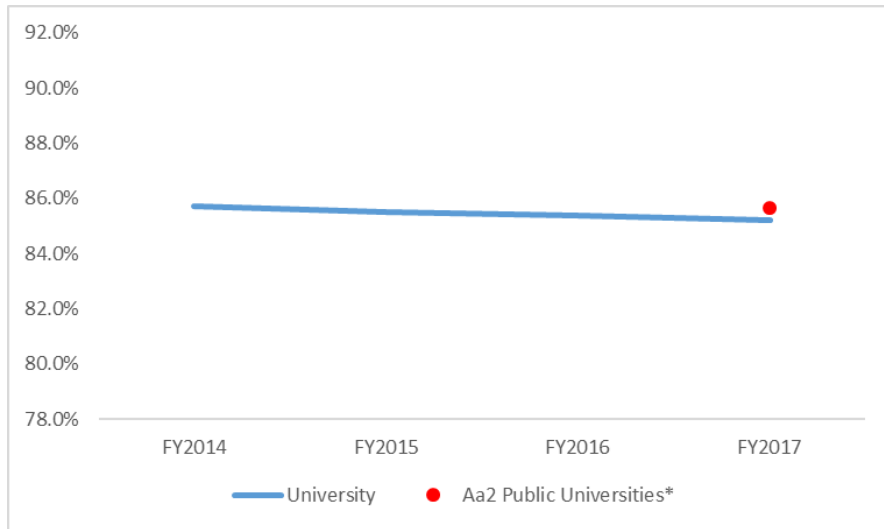
Improving

<p>Change Net Tuition/FTE (%)</p>  <p>FY18: 1.7%</p>	<p>Operating Cash Flow Margin (%)</p>  <p>FY18: 12.6%</p>	<p>Operating Margin (%)</p>  <p>FY18: 1.3%</p>	<p>Debt Service Coverage (x)</p>  <p>FY18: 1.9</p>	<p>Governance & Management</p>  <p>Strategic Policy; Reserves Policy</p>
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On Watch

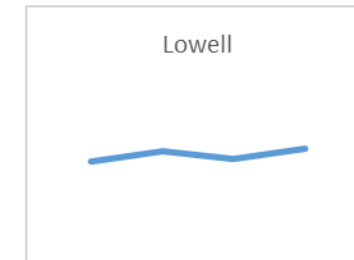
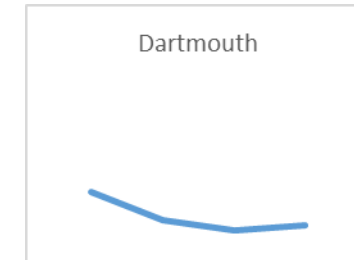
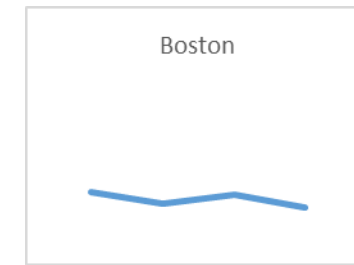
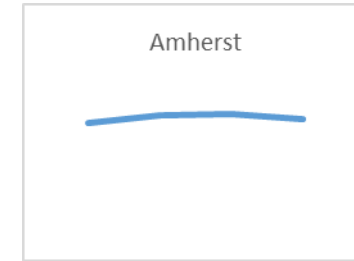
<p>Spendable Cash & Investments to Operating Expenses (x)</p>  <p>FY18: 0.38</p>	<p>Fundraising</p> <p>Donor Activity; Endowment</p>  <p>FY17: \$127M; \$820M</p>	<p>Student Demand</p>  <p>FY18: 1.1%</p>
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First Year Student Retention Rates

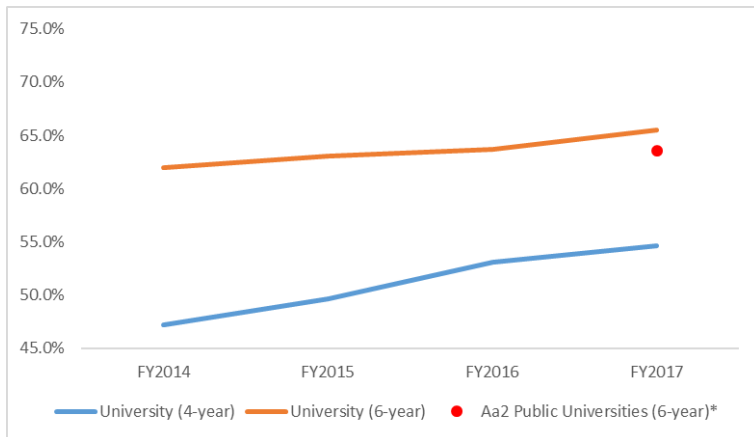


	FY2014	FY2015	FY2016	FY2017
Cohort	Fall 2013	Fall 2014	Fall 2015	Fall 2016
Returned	Fall 2014	Fall 2015	Fall 2016	Fall 2017
Amherst	89.9%	91.1%	91.3%	90.6%
Boston	79.7%	77.9%	79.4%	77.4%
Dartmouth	79.4%	75.0%	73.4%	74.2%
Lowell	84.3%	86.0%	84.8%	86.3%
University	85.7%	85.5%	85.4%	85.2%

Note: One year retention rates of entering full-time first-year students



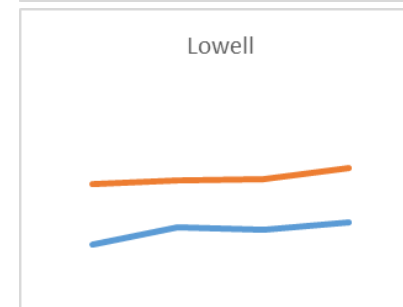
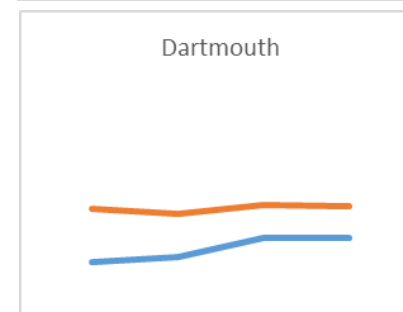
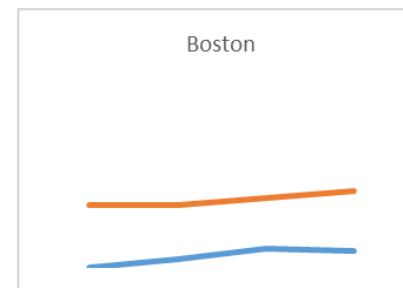
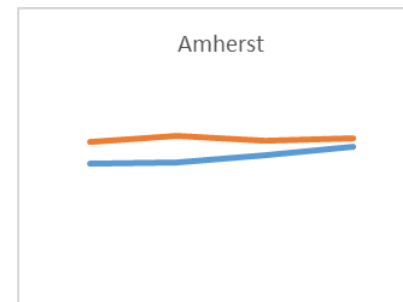
Graduation Rates



Graduation Rate (4-year)	FY2014	FY2015	FY2016	FY2017
Cohort	Fall 2010	Fall 2011	Fall 2012	Fall 2013
Graduated	2014	2015	2016	2017
Amherst	66.6%	67.1%	70.5%	73.7%
Boston	18.1%	20.9%	25.2%	24.5%
Dartmouth	28.3%	30.2%	37.2%	37.1%
Lowell	32.2%	38.5%	37.7%	40.5%
University (4-year)	47.2%	49.6%	53.1%	54.6%

Graduation Rate (6-year)	FY2014	FY2015	FY2016	FY2017
Cohort	Fall 2008	Fall 2009	Fall 2010	Fall 2011
Graduated	2014	2015	2016	2017
Amherst	75.7%	78.2%	76.5%	77.4%
Boston	42.1%	42.2%	45.0%	47.9%
Dartmouth	47.5%	45.6%	48.8%	48.5%
Lowell	54.5%	55.6%	56.1%	60.1%
University (6-year)	62.0%	63.1%	63.7%	65.5%

Note: Graduation rates of entering full-time first-year students



FY19 Budget Highlights

Highlights

- Total budget of \$3.4 billion.
- Operating Surplus of \$37 million or 1.1% operating margin.
- Enrollment growth to 65,760 FTEs; 1.9% or \$15.1 million.
- Tuition increases:
 - In State Undergrad: 2.5% or \$10.1 million
 - Out of State & Grad: 3.0% or \$8.6 million
- Budget reflects \$44 million in cost containment to balance expense growth exceeding revenue growth.

FY19 Budget & Student Charges

Board of Trustees

July 13, 2018



University of Massachusetts

Amherst • Boston • Dartmouth • Lowell • Medical School • UMassOnline

Agenda

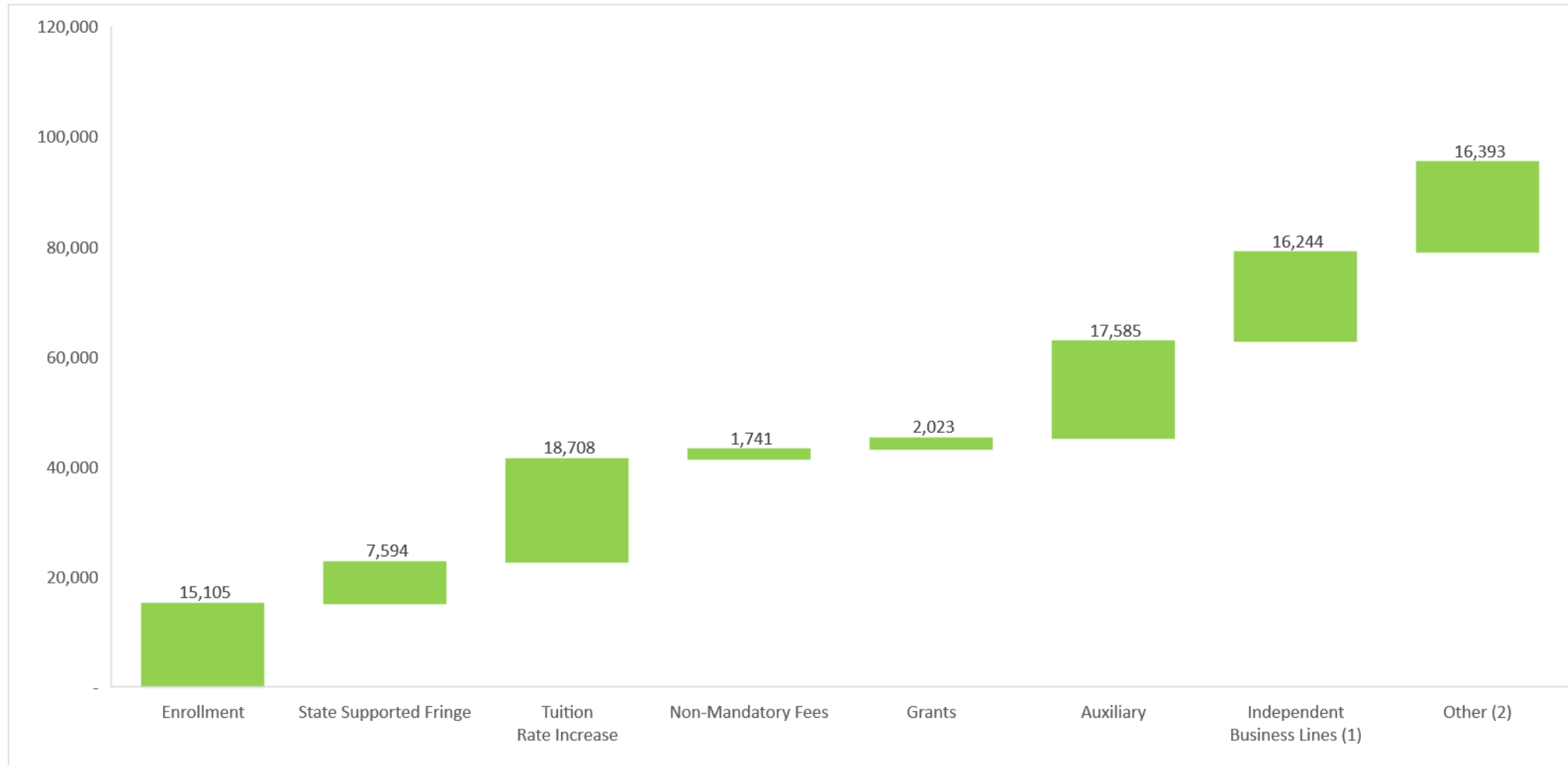
- Overview
- Revenue
- Student Demand
- Enrollment
- Tuition & Fees
- Expenses
- Key Financial Ratios

FY19 Revenue

FY19 University Revenue: Assumptions

- Enrollment growth of 1.9% estimated to generate \$15.1 million
- State Appropriation:
 - Flat appropriation; increase reflected related to fringe rate
 - State share of collective bargaining not assumed nor are expenses reflected pending sufficient State funds provided; Appropriation increase in FY19 Conference budget (\$5.1 million) could offset a portion of costs
- Tuition increases:
 - In State Undergraduate = 2.5%; \$10.1 million
 - Out of State and Graduate = 3.0%; \$8.6 million
- Minimal changes to non-mandatory fees = \$1.7 million (total non-mandatory fees are 7% of overall net tuition revenue)

Total Revenue Growth = \$95 million or 2.9%



(1) Medical School: Mass Biologics and Commonwealth Medicine

(2) Other includes other Medical School Operations along with gifts, investment return and other miscellaneous revenue

Student Demand

Enrollment Continues to Grow

- Demand for a UMass education continues.
- FY18 experienced 1.1% above the prior year.
- 4.0% growth since FY16.
- FY19 budget includes a 1.9% increase.

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Amherst	29,189	28,711	28,339	27,697
<i>Amherst Growth</i>	<i>1.7%</i>	<i>1.3%</i>	<i>2.3%</i>	
Boston	13,188	13,036	13,013	13,137
<i>Boston Growth</i>	<i>1.2%</i>	<i>0.2%</i>	<i>-0.9%</i>	
Dartmouth	7,436	7,286	7,509	7,711
<i>Dartmouth Growth</i>	<i>2.1%</i>	<i>-3.0%</i>	<i>-2.6%</i>	
Lowell	14,836	14,424	13,905	13,621
<i>Lowell Growth</i>	<i>2.9%</i>	<i>3.7%</i>	<i>2.1%</i>	
Medical	1,111	1,074	1,073	1,056
<i>Medical Growth</i>	<i>3.4%</i>	<i>0.1%</i>	<i>1.6%</i>	
University	65,760	64,531	63,839	63,221
<i>University Growth</i>	<i>1.9%</i>	<i>1.1%</i>	<i>1.0%</i>	

New England & Massachusetts In-State Tuition Increases

	Fall 2017	Fall 2018	% Increase
<i>New England:</i>			
University of New Hampshire	18,067	18,499	2.4%
University of Maine	10,902	11,170	2.5%
University of Rhode Island	13,792	14,138	2.5%
University of Massachusetts	14,012	14,365	2.5%
University of Vermont	17,740	18,276	3.0%
University of Connecticut	14,880	15,730	5.7%
Average			3.1%

	Fall 2017	Fall 2018	% Increase
<i>Massachusetts State Universities:</i>			
Fitchburg State	10,154	10,355	2.0%
Massachusetts College of Art & Design	12,700	13,200	3.9%
Bridgewater State	10,012	10,438	4.3%
Westfield State	9,716	10,176	4.7%
Salem State	10,278	10,885	5.9%
Worcester State	9,532	10,161	6.6%
Massachusetts Maritime Academy	8,398	9,728	15.8%
Framingham State	9,920	TBD	TBD
Massachusetts College of Liberal Arts	10,136	TBD	TBD
Average			6.2%

	Fall 2017	Fall 2018	% Increase
<i>Massachusetts CCs (per credit):</i>			
Quinsigamond	225	227	0.9%
Northern Essex	213	217	1.9%
Greenfield	222	227	2.3%
Mount Wachusett	212	217	2.4%
Bristol	194	199	2.6%
Massasoit	195	201	3.1%
Springfield	195	203	4.1%
North Shore	206	215	4.4%
Berkshire	213	223	4.7%
Cape Cod	189	199	5.3%
Holyoke	183	193	5.5%
Middlesex	198	215	8.6%
Roxbury	191	211	10.5%
Bunker Hill	186	TBD	TBD
Mass Bay	212	TBD	TBD
Average			4.3%

Campus Peer In-State Tuition Increases

	Fall 2017	Fall 2018	% Increase
Amherst Peers:			
University of North Carolina Chapel Hill	8,898	8,910	0.1%
University of Maryland College Park	10,399	10,595	1.9%
Rutgers University New Brunswick	14,633	14,970	2.3%
Amherst	15,030	15,406	2.5%
University of Virginia	16,076	16,520	2.8%
Stony Brook University	9,258	9,588	3.6%
Boston University	52,082	53,948	3.6%
Boston College	53,901	56,001	3.9%
Northeastern University	49,497	51,658	4.4%
University of Connecticut	14,880	15,730	5.7%
Ohio State University	10,010	10,728	7.2%
Syracuse University	46,755	51,853	10.9%
Average			4.1%

	Fall 2017	Fall 2018	% Increase
Boston Peers:			
University of Illinois at Chicago	13,704	13,808	0.8%
Cleveland State University	9,778	9,882	1.1%
University of Missouri-Kansas City	8,011	8,114	1.3%
University of Maryland Baltimore County	11,518	11,778	2.3%
Boston	13,503	13,841	2.5%
University of Louisville	11,264	11,656	3.5%
University of Nevada-Reno	7,599	8,064	6.1%
Average			2.5%

	Fall 2017	Fall 2018	% Increase
Dartmouth Peers:			
Cleveland State University	9,778	9,882	1.1%
University of Montana	7,063	7,242	2.5%
Dartmouth	13,166	13,496	2.5%
University of North Dakota	8,447	8,695	2.9%
SUNY University at Binghamton	9,523	9,808	3.0%
University of South Dakota	8,772	9,060	3.3%
University of Idaho	7,488	7,864	5.0%
University of Southern Maine	8,638	9,520	10.2%
Average			3.8%

	Fall 2017	Fall 2018	% Increase
Lowell Peers:			
University of Wisconsin - Milwaukee	11,008	11,040	0.3%
San Diego State University	7,460	7,488	0.4%
University of Maryland Baltimore County	11,518	11,778	2.3%
University of New Hampshire	18,067	18,499	2.4%
Lowell	14,350	14,710	2.5%
University of Rhode Island	13,792	14,138	2.5%
University of Maine	10,902	11,170	2.5%
Virginia Commonwealth University	13,570	14,490	6.8%
Average			2.4%

HEPI Compared to In State Tuition Increases

- ❑ Higher Education Price Index (HEPI) used to measure inflationary increases over time.
- ❑ While HEPI data lags (most current information from FY17); it helps serve as a proxy.
- ❑ On average, HEPI has grown by 2.7% compared to Tuition & Fee increases of 2.8% from FY14-19.

	HEPI	Tuition ⁽¹⁾	\$ Impact
FY14	3.0%	0.0%	-
FY15	2.1%	0.0%	-
FY16	1.8%	5.0%	563
FY17	3.7%	6.0%	756
FY18	N/A	3.0%	416
FY19	N/A	2.5%	360
Average	2.7%	2.8%	349

(1) FY14-16 includes Tuition & Curriculum Fee; FY17-19 includes Tuition.

Enrollment

Enrollment: by Residency

- Overall enrollment growth of 1.9%.
- In State students are consistently 82% of Total Undergraduates.
- In State students grow by 2% compared to out of State students growing by 1.7%.

<i>by Residency</i> Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
In State	49,475	48,519	47,794	47,499
<i>In State Growth</i>	2.0%	1.5%	0.6%	
Out of State	16,285	16,012	16,045	15,722
<i>Out of State Growth</i>	1.7%	-0.2%	2.1%	
Total	65,760	64,531	63,839	63,221
Total Growth	1.9%	1.1%	1.0%	

Enrollment: by New vs Continuing

- New students grow by 4.4%; admissions data helps track progress toward budgeted “new” students.
- Continuing students grow by 0.8%; actuals are determined by student registration and are not complete until after the add drop period in the fall.

<i>by New v Continuing Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
New	20,255	19,401	18,640	18,638
<i>New Growth</i>	4.4%	4.1%	0.0%	
Continuing	45,505	45,131	45,200	44,583
<i>Continuing Growth</i>	0.8%	-0.2%	1.4%	
Total	65,759	64,532	63,840	63,222
<i>Total Growth</i>	1.9%	1.1%	1.0%	

Enrollment: by Career

- Undergraduates grow by 2.2%; make up 75% of total enrollment.
- Online Only students growing by 4.2% and make up 7.5% of total enrollment.

<i>by Career</i> Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate	49,338	48,299	47,693	47,522
<i>Undergraduate Growth</i>	2.2%	1.3%	0.4%	
Graduate	9,123	9,076	8,971	8,844
<i>Graduate Growth</i>	0.5%	1.2%	1.4%	
Continuing Ed	2,102	2,160	2,259	2,255
<i>Continuing Ed Growth</i>	-2.7%	-4.4%	0.2%	
Online Only	5,013	4,812	4,761	4,433
<i>Online Only Growth</i>	4.2%	1.1%	7.4%	
Law	184	184	156	168
<i>Law Growth</i>	0.0%	17.4%	-6.8%	
Total	65,760	64,531	63,839	63,221
<i>Total Growth</i>	1.9%	1.1%	1.0%	

Admissions Tracking

- Real Time Enrollment Tracking using the A&F Executive Dashboard for Boston and Dartmouth; working to automate for Amherst and Lowell.
- Detailed data on applications, acceptances, deposits and enrolled students included in the campus sections.
- Trends vary by campus.
- Mt. Ida students (as of 7/9)
 - Applications: 710; Acceptances: 522
 - Amherst Vet Tech Program: 145 student expressed interest in continuing
 - Dartmouth Fashion Design Program: 12 students; Int. Arch. Design: 42 students
- Year to date data (as of June 29th) does not reflect actual enrollment.

Tuition & Fees

Tuition & Mandatory Fees: Undergraduate

Undergraduate Tuition: In State

	FY18	FY19	\$ Change	% Change
Amherst	\$15,030	\$15,406	\$376	2.5%
Boston	\$13,503	\$13,841	\$338	2.5%
Dartmouth	\$13,166	\$13,496	\$329	2.5%
Lowell	\$14,350	\$14,710	\$360	2.5%

Undergraduate Tuition: Out of State

	FY18	FY19	\$ Change	% Change
Amherst	\$33,096	\$34,089	\$993	3.0%
Boston	\$32,660	\$33,640	\$980	3.0%
Dartmouth	\$27,880	\$28,716	\$836	3.0%
Lowell	\$31,415	\$32,357	\$942	3.0%

Undergraduate: Mandatory Fees

	FY18	FY19	\$ Change	% Change
Amherst	\$381	\$481	\$100	26.2%
Boston	\$325	\$326	\$1	0.3%
Dartmouth	\$405	\$425	\$20	4.9%
Lowell	\$450	\$470	\$20	4.4%

- Amherst: Student Activity Fee increase to support Student Union renovation debt per student vote (approved by Board in April)
- Boston: Student Activity Fee increase to support charging stations and mini project funding
- Dartmouth: Student Activity Fee increase to support student-run programming
- Lowell: Student Activity Fee increase to support sustainability

Tuition & Mandatory Fees: Graduate

Graduate Tuition: In State

	FY18	FY19	\$ Change	% Change
Amherst	\$13,930	\$14,348	\$418	3.0%
Boston	\$17,375	\$17,896	\$521	3.0%
Dartmouth	\$15,449	\$15,912	\$463	3.0%
Lowell	\$14,590	\$14,590	\$0	0.0%

Graduate Tuition: Out of State

	FY18	FY19	\$ Change	% Change
Amherst	\$30,533	\$31,449	\$916	3.0%
Boston	\$33,915	\$34,932	\$1,017	3.0%
Dartmouth	\$27,880	\$28,716	\$836	3.0%
Lowell	\$26,370	\$26,370	\$0	0.0%

Mandatory Fees: Graduate

	FY18	FY19	\$ Change	% Change
Amherst	\$2,157	\$2,176	\$19	0.9%
Boston	\$355	\$355	\$0	0.0%
Dartmouth	\$405	\$425	\$20	4.9%
Lowell	\$450	\$470	\$20	4.4%

- Amherst: Health fee increase; service fee frozen per Graduate union contract
- Dartmouth: Student Activity Fee increase to support student-run programming
- Lowell: Student Activity Fee increase to support sustainability

Room & Board

	FY18	FY19	\$Change	% Change
Amherst	\$12,258	\$12,626	\$368	3.0%
Boston (Dining Only)	N/A	\$5,390	N/A	N/A
Dartmouth	\$12,753	\$13,299	\$546	4.3%
Lowell	\$12,495	\$12,748	\$253	2.0%

	FY18	FY19
Boston - Room		\$9,468

- Amherst: Across the board increases to housing and dining rates
- Dartmouth: Average housing rate increase of 5%; average dining rate increase of 3%
- Lowell: Average housing rate increase of 1.8% and average dining rate increase of 2.5%
- Boston: Room rates set by P3 Operating Board and are not subject to Board approval; Dining rates set by the University and approved by University Board.

Tuition & Mandatory Fees: Law School

Law School Tuition

	FY18	FY19	\$ Change	% Change
Law School In State	\$27,016	\$27,826	\$810	3.0%
Law School Out of State	\$35,413	\$36,475	\$1,062	3.0%

Mandatory Fees

	FY18	FY19	\$ Change	% Change
Law School	\$405	\$425	\$20	4.9%

Tuition & Mandatory Fees: Medical School

Medical School Tuition

	FY18	FY19	\$ Change	% Change
Medical School In State	\$34,600	\$35,500	\$900	2.6%
Medical School Out of State	\$59,400	\$61,050	\$1,650	2.8%
GSN In State	\$13,500	\$13,870	\$370	2.7%
GSN Out of State	\$18,450	\$18,960	\$510	2.8%
GSN GEP In State	\$42,000	\$43,220	\$1,220	2.9%
GSN GEP Out of State	\$54,000	\$55,580	\$1,580	2.9%
GSBS In State	\$13,930	\$14,300	\$370	2.7%
GSBS Out of State	\$30,533	\$31,400	\$867	2.8%

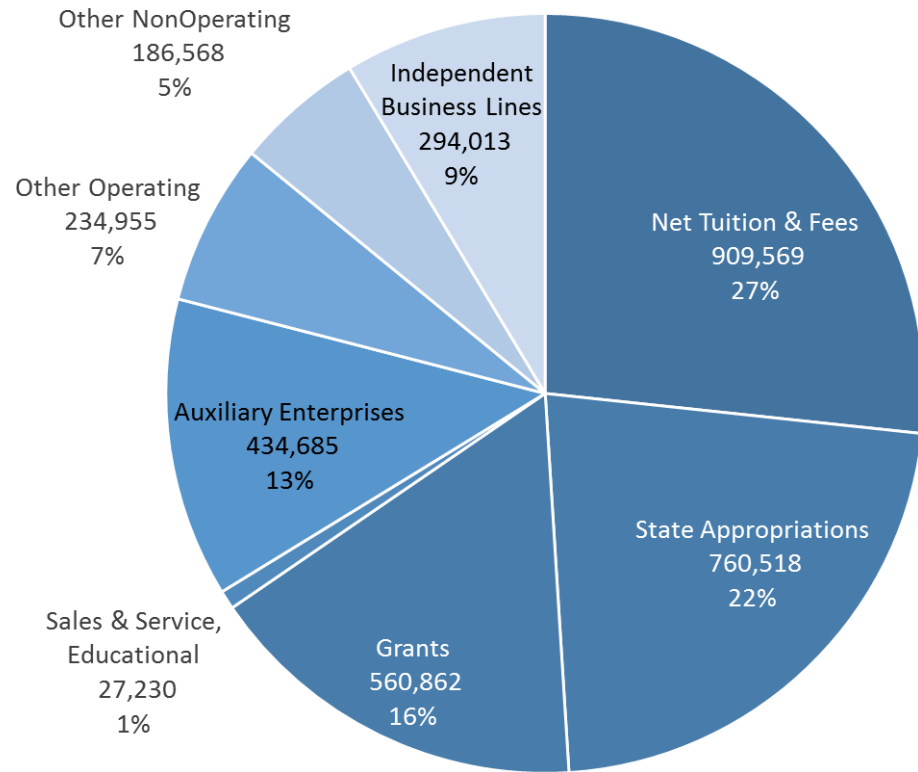
Mandatory Fees

	FY18	FY19	\$ Change	% Change
Medical School	\$2,078	\$2,276	\$198	9.5%
GSN	\$1,278	\$1,356	\$78	6.1%
GSBS	\$953	\$1,031	\$78	8.2%

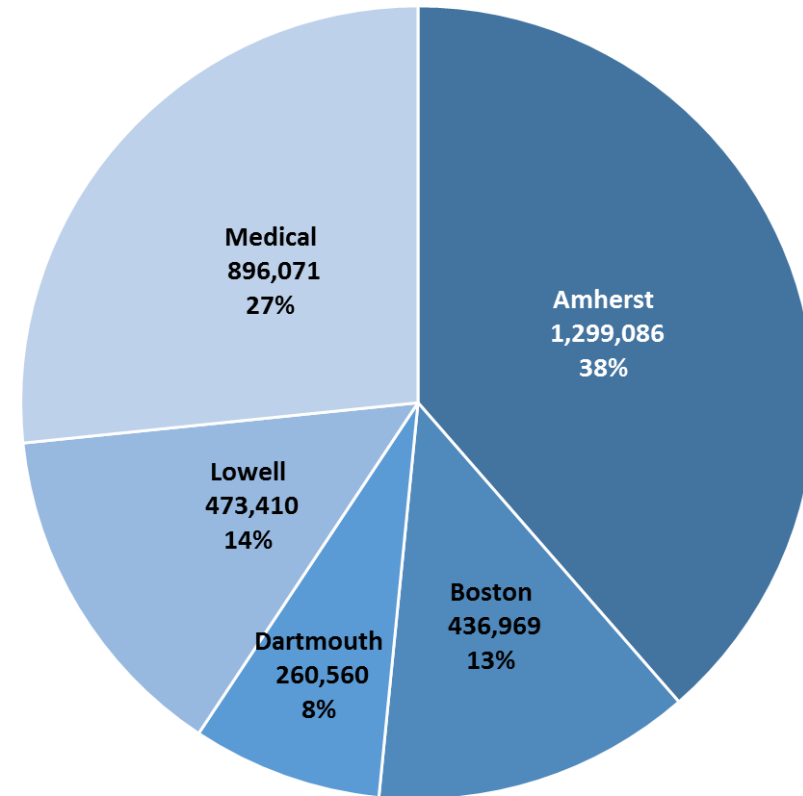
- When combined, the aggregate Tuition and Mandatory Fee increase for all students is 3%.
- Approved by the Board in June.

FY19 Revenue = \$3.4 Billion

Total Revenue: by Category



Total Revenue: by Campus



University Revenue: by Revenue Category

(\$ in Thousands)	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Gross Tuition & Fees	1,237,733	1,179,274	58,458	5.0%	1,136,540
Tuition Discounts	(328,164)	(309,588)	(18,575)	6.0%	(288,708)
Net Tuition & Fees	909,569	869,686	39,883	4.6%	847,832
Grants	560,862	558,839	2,023	0.4%	560,082
Sales & Service, Educational	27,230	27,206	24	0.1%	28,910
Auxiliary Enterprises	434,685	417,100	17,585	4.2%	400,822
Other Operating	234,955	225,694	9,261	4.1%	233,717
State Appropriations	760,518	752,924	7,594	1.0%	720,817
Other NonOperating	186,568	183,788	2,780	1.5%	195,089
Independent Business Lines ⁽¹⁾	294,013	277,769	16,244	5.8%	371,618
Total Revenue	3,408,400	3,313,007	95,393	2.9%	3,358,887

(1) Medical School: Mass Biologics and Commonwealth Medicine

Revenue: by Campus

<i>(\$ in Thousands)</i>	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Amherst	1,299,086	1,261,140	37,947	3.0%	1,216,054
Boston	436,969	428,769	8,200	1.9%	423,334
Dartmouth	260,560	248,833	11,727	4.7%	248,385
Lowell	473,410	460,974	12,436	2.7%	439,843
Medical School	896,071	869,668	26,403	3.0%	999,591
President's Office	123,281	123,265	16	0.0%	117,660
Total	3,408,400	3,313,007	95,393	2.9%	3,358,887

University Revenue: by Program Area

(\$ in Thousands)	Budget	Projection	Variance	
	FY2019	FY2018	\$	%
E&G (ABDL) (1)	1,760,862	1,715,508	45,354	2.6%
Research (ABDL)	251,335	247,701	3,634	1.5%
Auxiliary (ABDL)	407,230	390,264	16,966	4.3%
Other (ABDLMed) (2)	677,191	661,464	15,727	2.4%
Law (D)	4,067	4,054	14	0.3%
Independent Business Lines (Med) (3)	307,714	294,017	13,697	4.7%
Total	3,408,400	3,313,007	95,393	2.9%

(1) E&G = Education & General; ABDL = Amherst, Boston, Dartmouth, Lowell; Total includes Online revenue

(2) Includes all Medical School revenue but for Independent Business Lines

(3) Medical School: Mass Biologics and Commonwealth Medicine

Gross Online Revenue: A Component of E&G

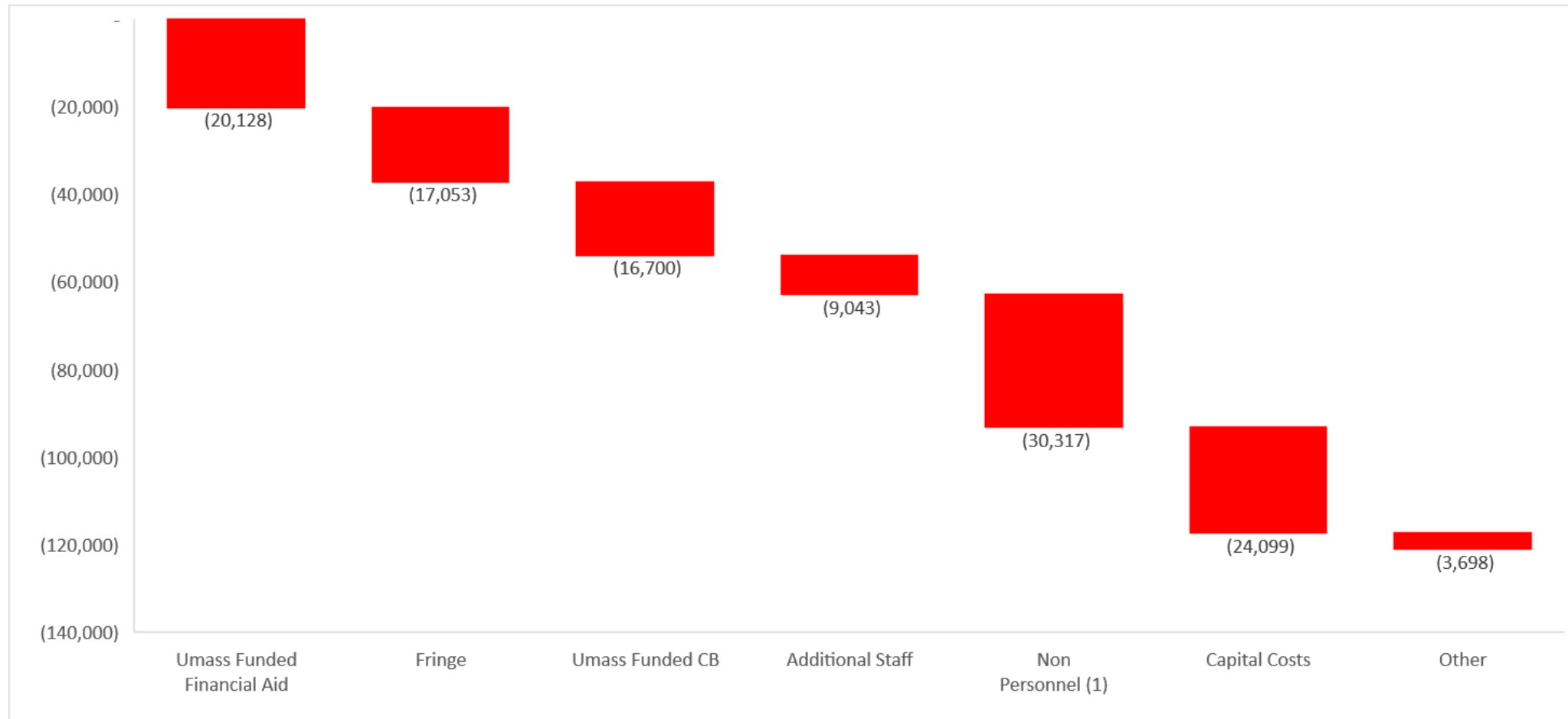
<i>(\$ in Thousands)</i>	Budget	Projection	Variance	
	FY2019	FY2018	\$	%
Amherst	49,814	45,352	4,462	10%
Boston	20,239	19,717	522	3%
Dartmouth	12,168	10,965	1,204	11%
Lowell	43,538	39,579	3,959	10%
Total Online Revenue	125,760	115,614	10,146	8.8%

FY19 Expenses

FY19 University Expenses: Budget Assumptions

- University funded Financial Aid increases to meet student need.
- Fringe Benefits: \$17.0 million increase for State mandated fringe rate which increases to 36.62%; \$7 million supported by the State.
- Collective Bargaining:
 - Only University Funded obligation, \$16.8 million, assumed; not \$14.4 million State obligation.
 - Total Annual cost of \$31.1 million; Cumulative cost of \$60.2 million.
- Non-personnel expenses increased by 3.3% results in \$30.3 million increase; increase in non-personnel for E&G totals \$10.0 million.
- Depreciation and interest assumptions reflect current approved Capital Plan.

Total Expense Growth = \$102 million or 3.1%



(1) Increase includes \$10 million for E&G, \$6.4 million Auxiliary, and \$14 million for Research, Medical School and Independent Business Lines.

Expense Drivers: Salaries & Fringe

(\$ in Thousands)	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Salaries & Fringe	1,962,973	1,916,478	46,495	2.4%	1,846,879

Breakdown of Increase	\$ Value	
Staffing	9,043	
Salary Adjustments	16,700	University Funded Collective Bargaining
Fringe Rate	17,053	
Other	3,700	
Total	46,495	

Note: Does not include State share of collective bargaining of \$14.4 million for FY19.

State support funds 39% of salaries and fringe benefit costs.

(\$ in Thousands)	Budget	State	University
	FY2019	Funding	Funding
Union Payroll	913,178	529,367	383,811
Non Union Payroll	634,581	-	634,581
Fringe	415,212	231,151	184,061
Total	1,962,973	760,518	1,202,455
		39%	61%

FY18-20 Contract Cycle: State Parameters & Cost

- Salary increases set at 2% per year for FY18-FY20 by the Administration. 6% over three years.
- Salaries are recurring, the cumulative impact must be funded in future budgets.
- The cost for **State Funded Employees** in FY19 is nearly \$28 million and grows to \$42 million in FY20.

Parameters	FY18*	FY19	FY20
July 1: Annual Increase	2.0%	2.0%	2.0%

**In FY18, 1.0% of the total 2% increase contingent on State revenue performance.*

\$ in Millions	FY18	FY19	FY20
State Funded			
Annual	14.1	14.4	14.8
Cumulative		27.8	41.8
University Funded			
Annual	16.4	16.8	17.2
Cumulative		32.4	48.8
Total			
Annual	30.5	31.1	32.0
Cumulative		60.2	90.7


**Cumulative totals are adjusted for one-time costs.*


The Need for Clarity and Predictability

- Administration's FY19 Budget established a \$107 million reserve to fund the annualized cost of the first and second year of the contracts (FY18 and Y19).
- UMass and the Administration have been working together on the amount of funding that should be supported by the State and funded from the reserve.
- Administration estimates \$11.3 million in FY18 and \$22.9 million in FY19 (*note: includes the 1% contingent on FY18 state revenue performance*).
- House and Senate provided \$47 million in a collective bargaining reserve; significantly underfunded compared to the Administration's reserve.

Impact on In State Tuition Increase

- Supplemental funding for both FY18 and FY19 is needed – it remains unclear when sufficient funding will be available.
- Funding for FY20 is unknown; will work with the Administration on funding these costs.

FY19 Increase
2.5%

Per Student Impact
\$360

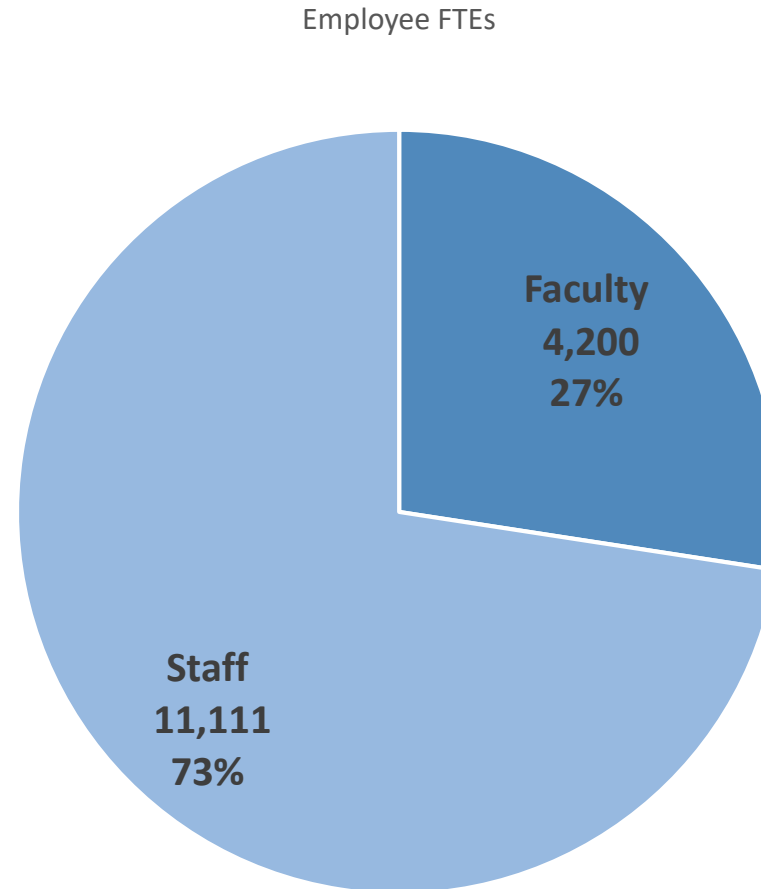
Without funding for the
State Share of
Collective Bargaining

We anticipate a future per
student impact of
\$1,000

The UMass Approach

- Transparent about the cost and State funding available for State Funded University Employees, which is critical to ensuring that a world-class public university education remains affordable.
- Pursue one-year collective bargaining agreements for FY18 consistent with the established “parameter” based on the expectation of only receiving one year of funding.
 - 50% of unionized workforce have settled one-year contracts for FY18
- Pursue subsequent agreements for the remainder of the 3-year contracts (beginning in FY19) based on State established “parameters” and a commitment of additional State funding.
- Bargain in good faith, while maintaining an affordable, high quality education.

Expense Drivers: Faculty & Staff

- New reporting format looks at Faculty and Staff by funding source.
- Campus specific data included along with snapshot date history for prior years for reference.
- New faculty and staff requested to support faculty due to growing enrollment, staff in target areas such as auxiliary.



Student to Faculty Ratio

<i>Student - Faculty Ratio</i>	Amherst		Boston		Dartmouth		Lowell	
	FY19	FY18	FY19	FY18	FY19	FY18	FY19	FY18
Total Student FTE	29,189	28,711	13,188	13,036	7,436	7,286	14,836	14,424
Total Faculty FTE	1,576	1,558	855	855	456	456	843	807
Student - Faculty Ratio	18.5	18.4	15.4	15.2	16.3	16.0	17.6	17.9

Faculty & Staff Ratios

Staff - Faculty Ratio (All)	Amherst		Boston		Dartmouth		Lowell	
	FY19	FY18	FY19	FY18	FY19	FY18	FY19	FY18
Total Staff FTE	4,176	4,116	1,122	1,122	731	731	1,187	1,105
Total Faculty FTE	1,576	1,558	855	855	456	456	843	807
Staff - Faculty Ratio	2.6	2.6	1.3	1.3	1.6	1.6	1.4	1.4

Staff - Faculty Ratio (E&G) (1)	Amherst		Boston		Dartmouth		Lowell	
	FY19	FY18	FY19	FY18	FY19	FY18	FY19	FY18
Total Staff FTE	2,702	2,692	929	929	593	593	989	985
Total Faculty FTE	1,527	1,509	840	840	452	452	832	797
Staff - Faculty Ratio	1.8	1.8	1.1	1.1	1.3	1.3	1.2	1.2

(1) Education and General

Expense Drivers: Non Personnel

(\$ in Thousands)	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Non-personnel	942,706	912,390	30,317	3.3%	1,019,065

Breakdown of Increase	\$ Value
E&G	9,974
Research	801
Auxiliary	6,439
Other (1)	13,103
Total	30,317

(1) Includes all Medical School Non Personnel increases along with some ABDL increases.

Expense Drivers: Capital Related

<i>(\$ in Thousands)</i>	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Depreciation	278,941	261,669	17,273	6.6%	249,669
Interest	124,659	117,833	6,826	5.8%	110,069
Total	403,600	379,501	24,099	6.4%	359,738
<i>Debt P&I</i>	<i>230,170</i>	<i>216,790</i>	<i>13,380</i>	<i>6.2%</i>	<i>212,389</i>

Depreciation & Interest	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Amherst	157,961	149,483	8,478	5.7%	136,659
Boston	46,660	36,733	9,927	27.0%	34,722
Dartmouth	29,780	28,509	1,270	4.5%	27,433
Lowell	60,736	58,073	2,663	4.6%	52,917
Medical School	99,584	98,880	704	0.7%	94,868
President's Office	8,880	7,823	1,057	13.5%	13,139
Total	403,600	379,501	24,099	6.4%	359,738

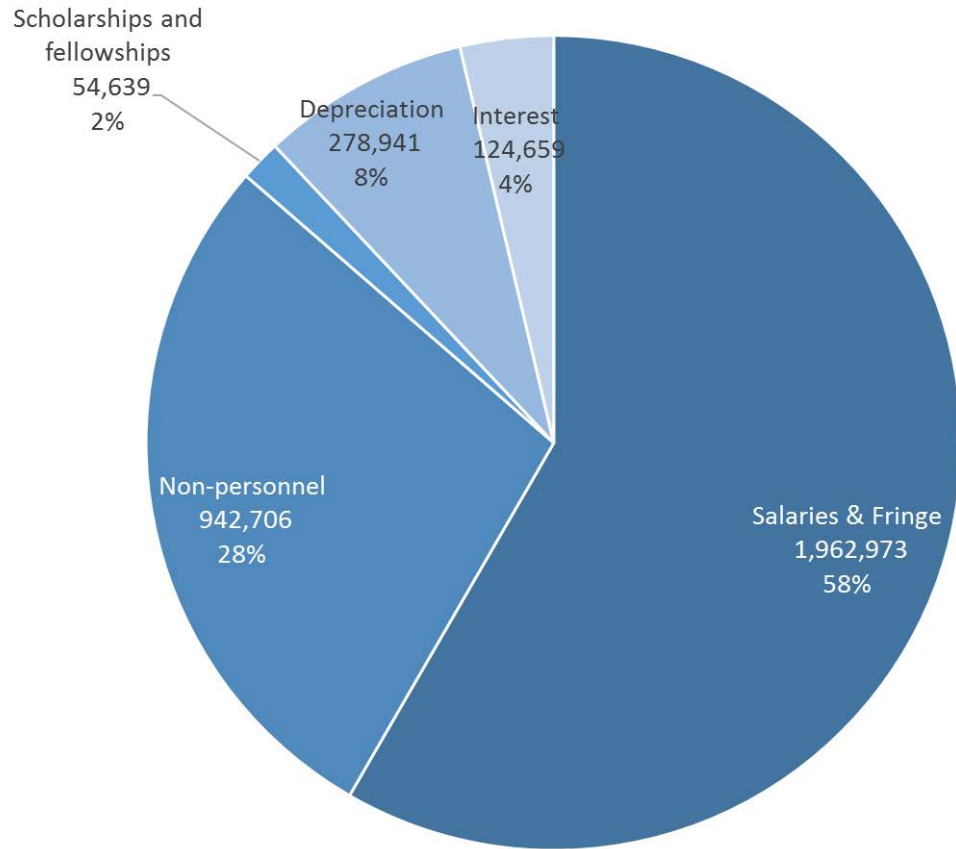
Expense Drivers: Financial Aid

<i>(\$ in Thousands)</i>	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Tuition Discounts	328,164	309,588	18,575	6.0%	288,708
Scholarships & Fellowships	54,639	53,086	1,553	2.9%	47,710
Total	382,802	362,674	20,128	5.5%	336,418

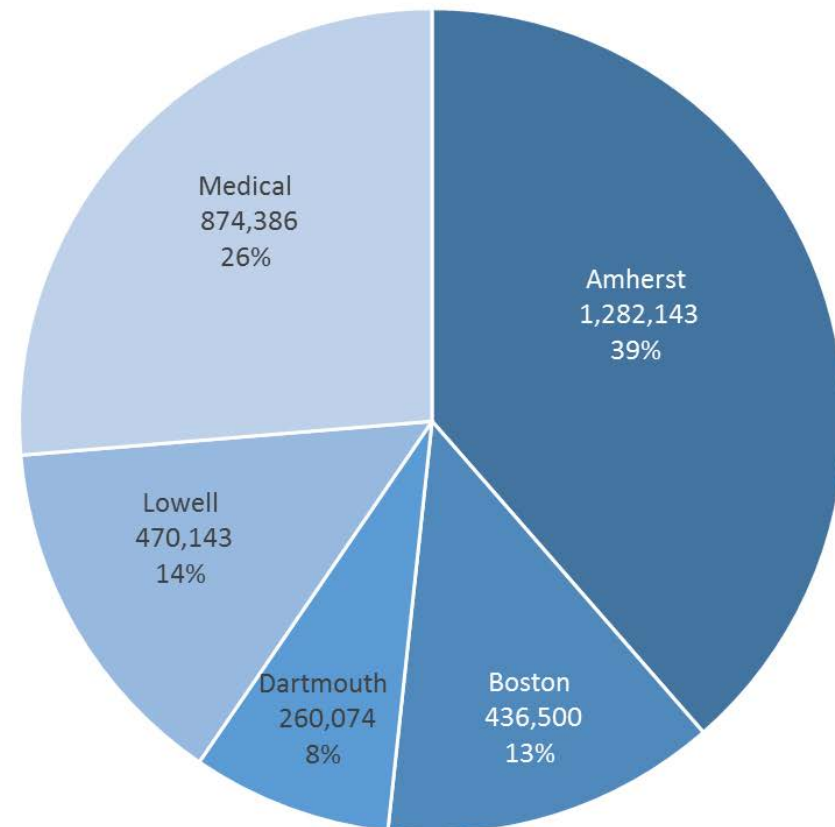
Financial Aid	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Amherst	178,238	169,040	9,198	5.4%	156,828
Boston	81,807	75,378	6,429	8.5%	69,981
Dartmouth	43,467	43,268	199	0.5%	43,000
Lowell	75,664	71,720	3,944	5.5%	63,833
Medical School	3,626	3,262	364	11.2%	2,751
Total	382,802	362,674	20,128	5.5%	336,418

FY19 Expenses = \$3.4 Billion

Total Expenses: by Category



Total Expenses: by Campus



University Expenses: by Expense Category

<i>(\$ in Thousands)</i>	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Salaries & Fringe	1,962,973	1,916,478	46,495	2.4%	1,846,879
Non-personnel	942,706	912,390	30,317	3.3%	1,019,065
Scholarships and fellowships	54,639	53,086	1,553	2.9%	47,710
Depreciation	278,941	261,669	17,273	6.6%	249,669
Interest	124,659	117,833	6,826	5.8%	110,069
Total Expenses	3,363,919	3,261,455	102,464	3.1%	3,273,392

Expenses: by Campus

<i>(\$ in Thousands)</i>	Budget	Projection	Variance		Actual
	FY2019	FY2018	\$	%	FY2017
Amherst	1,282,143	1,237,999	44,144	3.6%	1,173,095
Boston	436,500	431,300	5,200	1.2%	424,463
Dartmouth	260,074	248,330	11,744	4.7%	238,763
Lowell	470,143	455,166	14,977	3.3%	428,306
Medical School	874,386	847,958	26,428	3.1%	942,132
President's Office	121,650	120,344	1,306	1.1%	108,938
Total	3,363,919	3,261,455	102,464	3.1%	3,273,391

University Expenses: by Program Area

<i>(\$ in Thousands)</i>	Budget	Projection	Variance	
	FY2019	FY2018	\$	%
E&G (ABDL)	1,756,206	1,699,988	56,218	3.3%
Research (ABDL)	256,925	252,515	4,410	1.7%
Auxiliary (ABDL)	376,379	365,888	10,491	2.9%
Other	675,675	658,230	17,445	2.7%
Law (D)	7,928	7,788	140	1.8%
Independent Business Lines (Med) <i>(1)</i>	290,806	277,046	13,760	5.0%
Total	3,363,918	3,261,455	102,463	3.1%

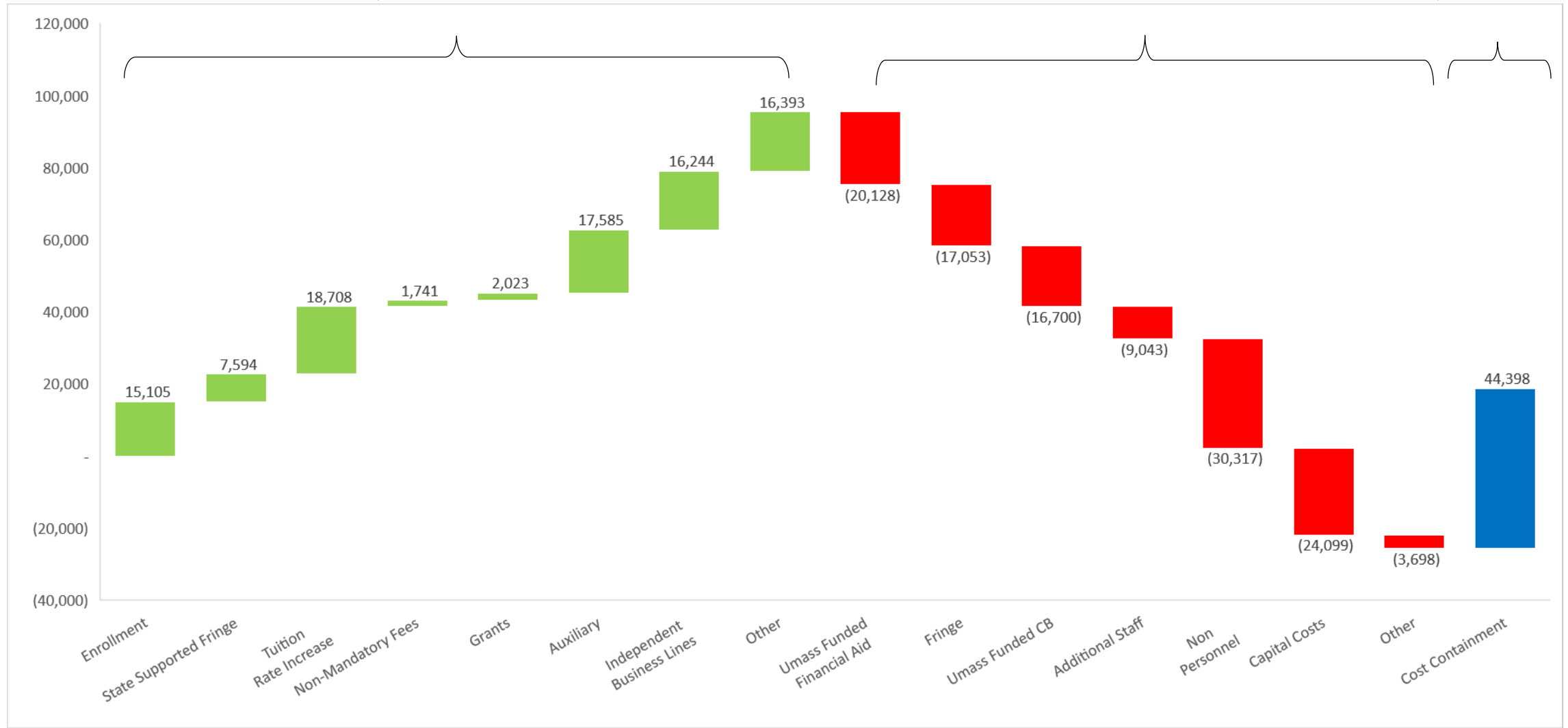
(1) Medical School: Mass Biologics and Commonwealth Medicine

Cost Containment Drives Positive Operating Margin

Increased Revenue
= \$95 million or 2.9%

Increased Expense
= \$102 million or 3.1%

Cost Containment
= \$44 million



FY19 University Budget: Summary

(\$ in Thousands)	FY2019 BUDGET				FY2018 PROJECTION				FY19 BUDGET vs. FY18 PROJECTION
	Total Revenue	Total Expenses	OM\$	OM%	Total Revenue	Total Expenses	OM\$	OM%	OM\$ Change
Amherst	1,293,962	1,282,143	11,819	0.9%	1,256,254	1,237,999	18,255	1.5%	(6,436)
Boston	436,501	436,501	-	0.0%	428,300	431,300	(3,000)	-0.7%	3,000
Dartmouth	262,883	260,074	2,809	1.1%	250,021	248,330	1,691	0.7%	1,118
Lowell	473,310	470,143	3,167	0.7%	459,773	455,166	4,607	1.0%	(1,440)
Medical School	892,288	874,386	17,902	2.0%	865,887	847,958	17,929	2.1%	(27)
Central	123,281	121,650	1,631	1.3%	123,264	120,344	2,920	2.4%	(1,289)
Total	3,401,247	3,363,919	37,328	1.1%	3,303,858	3,261,455	42,403	1.3%	(5,075)

Note: Operating Margin revenues exclude unrealized gains/losses

Key Financial Ratios

Key Ratios: Defined

Operating cash flow margin – Measures net income (before non-cash expenses) relative to operating revenue to support investments

$$\frac{(\text{Total revenues} - \text{total expenses}) + \text{depreciation} + \text{interest}}{\text{Total revenues}}$$

Operating margin – Indicates the excess margin (or deficit) by which annual revenues cover annual expenses (excluding unrealized gains or losses)

$$\frac{\text{Total revenues} - \text{Total expenses}}{\text{Total revenues}}$$

Debt burden – Compares the relative cost of borrowing to overall expenditures

$$\frac{\text{Debt service (P\&I)}}{\text{Total expenses}}$$

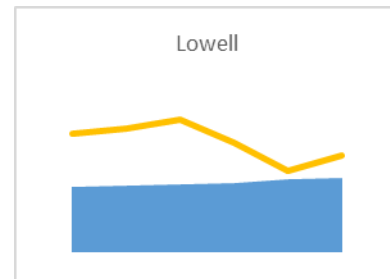
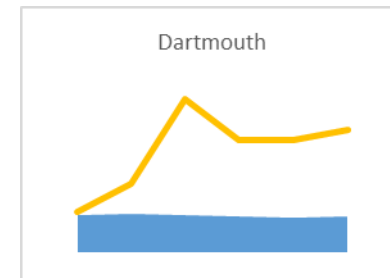
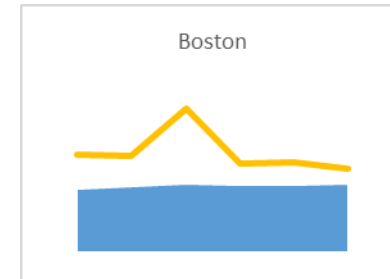
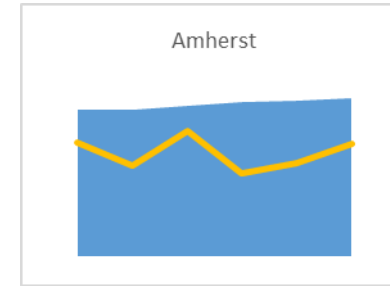
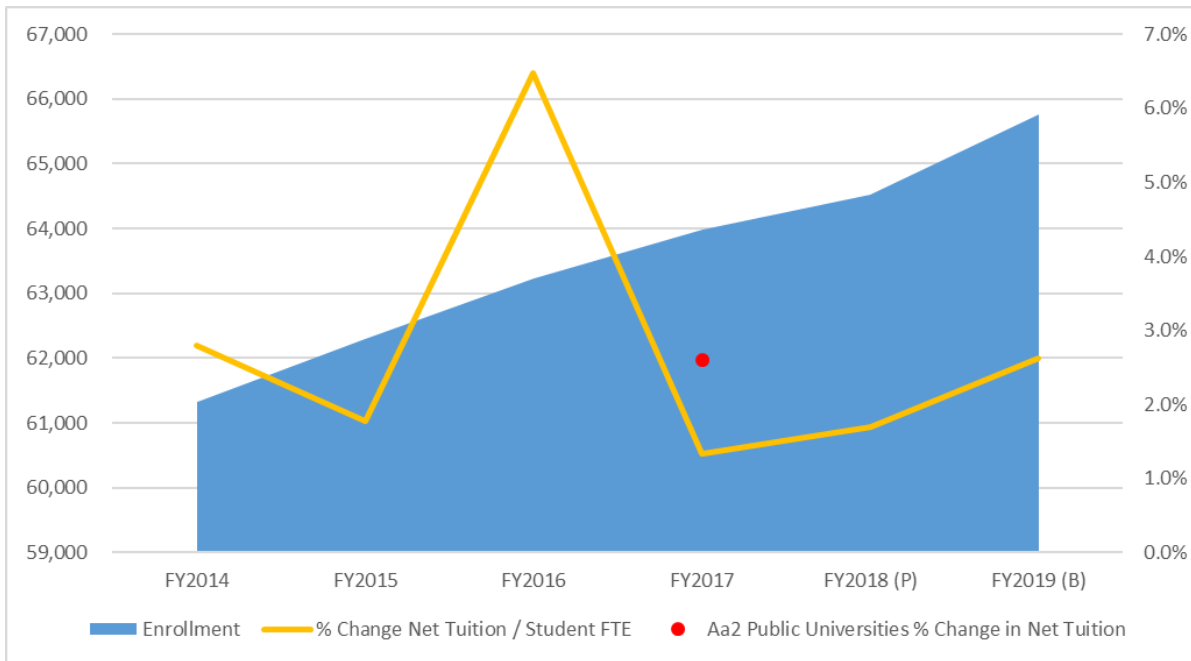
Debt service coverage – Measures the ability to make debt service payments from annual operations

$$\frac{(\text{Total revenues} - \text{total expenses}) + \text{depreciation} + \text{interest}}{\text{Debt service (P\&I)}}$$

Spendable cash & investments to expenses - Measures the extent to which the University can rely on wealth that can be accessed over time or for a specific purpose to operate

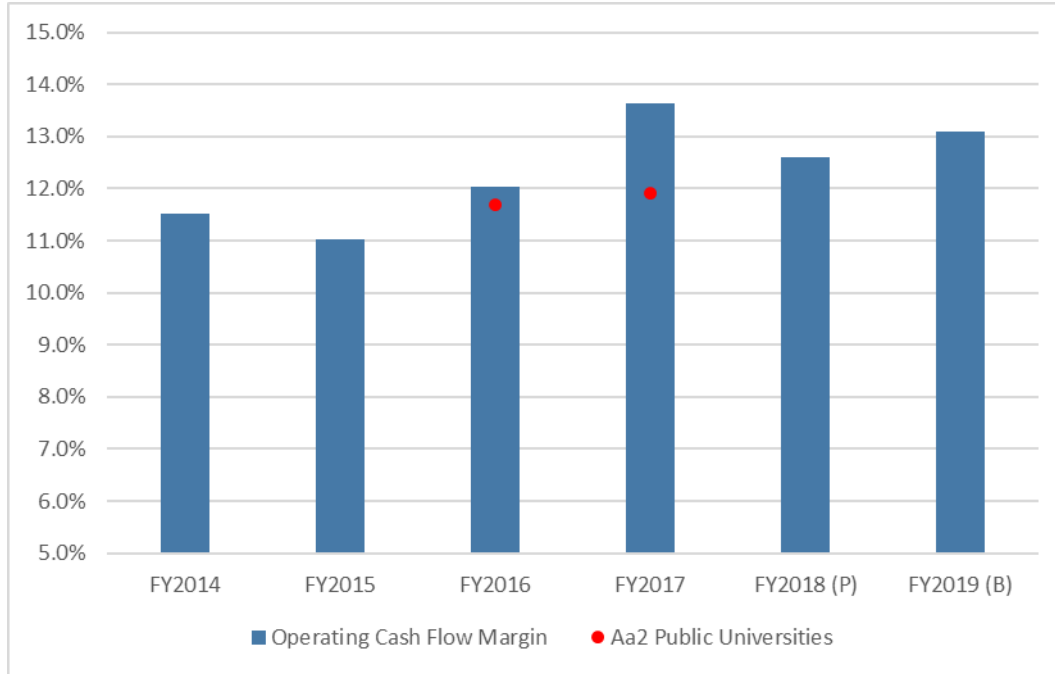
$$\frac{(\text{Cash \& investments} - \text{debt service reserve funds} + \text{permanently restricted pledges receivable} - \text{permanently restricted Net Assets})}{\text{Total expenses}}$$

Total: Enrollment & % Change in Net Tuition / Student



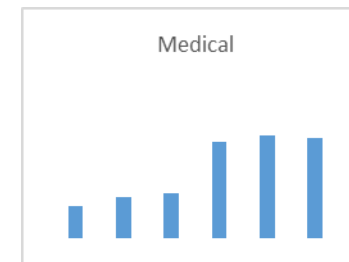
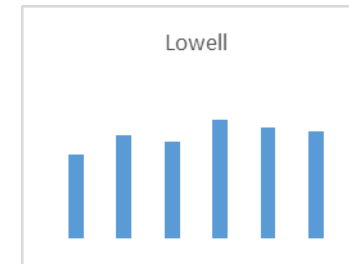
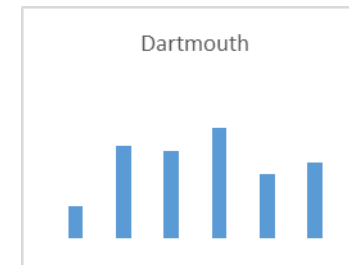
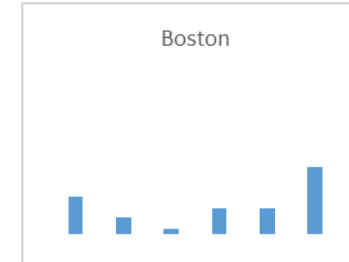
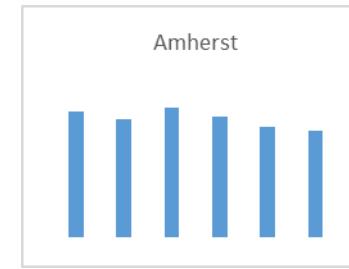
	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	3.5%	0.8%	4.9%	-0.2%	2.4%	1.0%	3.4%
Boston	1.9%	1.7%	7.6%	0.7%	3.1%	0.9%	0.2%
Dartmouth	-5.1%	-1.7%	8.8%	3.7%	2.3%	3.8%	5.0%
Lowell	4.7%	5.3%	6.3%	3.5%	3.0%	0.1%	1.9%
Medical	14.2%	7.0%	11.9%	13.5%	11.5%	14.9%	7.5%
University	2.8%	1.8%	6.5%	1.3%	3.2%	1.7%	2.6%

Operating Cash Flow Margin

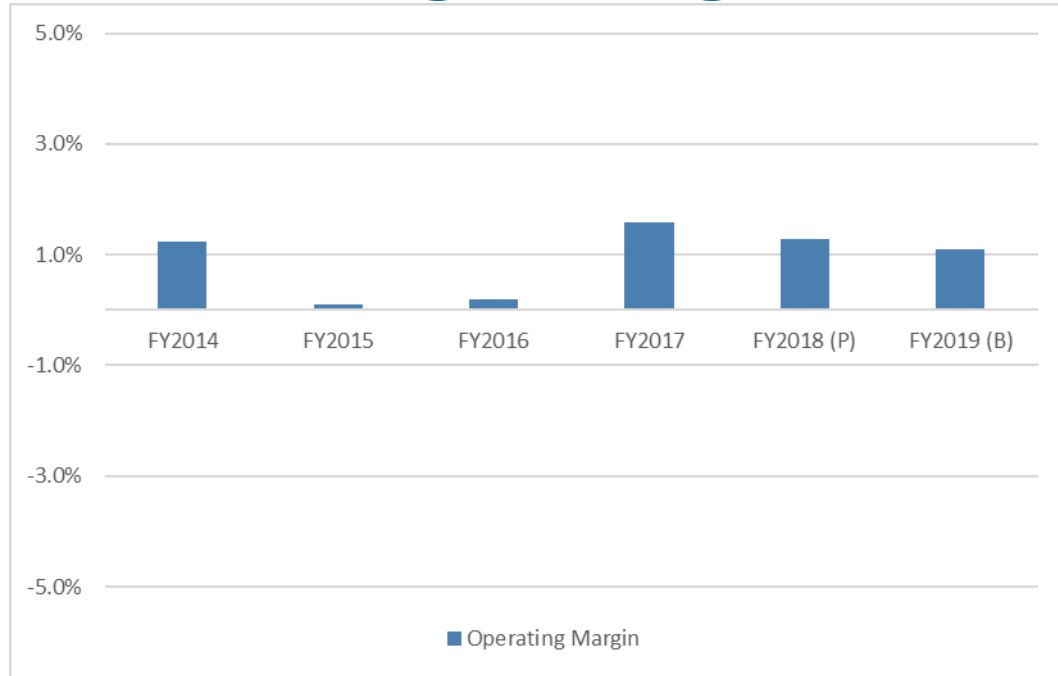


	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	15.2%	14.6%	15.6%	14.8%	13.4%	14.0%	13.6%
Boston	8.0%	6.4%	5.4%	7.1%	7.6%	7.6%	10.5%
Dartmouth	7.6%	12.5%	12.1%	13.9%	9.7%	10.6%	11.1%
Lowell	11.8%	13.3%	12.8%	14.6%	13.9%	13.9%	13.8%
Medical	7.6%	8.4%	8.7%	12.8%	11.0%	13.4%	13.2%
Central	19.4%	13.6%	16.4%	18.2%	10.7%	9.0%	8.9%
University	11.5%	11.0%	12.0%	13.6%	12.0%	12.6%	13.1%

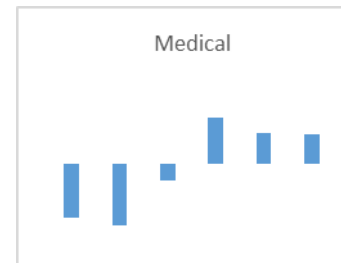
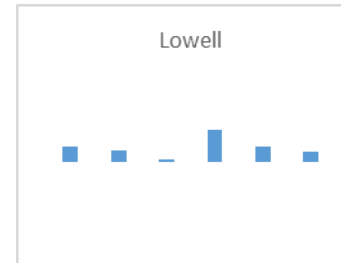
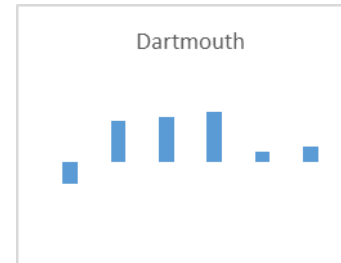
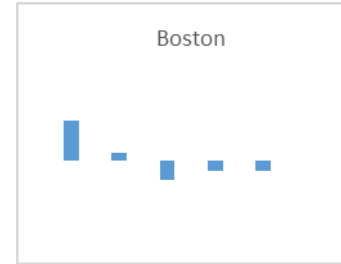
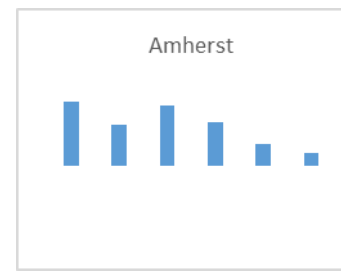
Note: Moody's pension adjustment not applied to FY18 & FY19



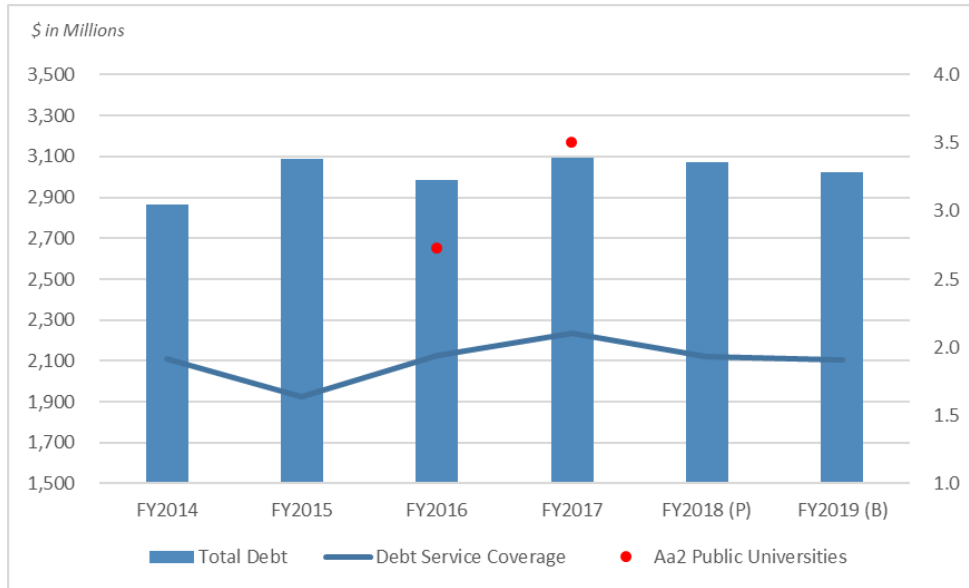
Operating Margin



	Actual			Budget	Projection	Budget	
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	4.4%	2.8%	4.1%	3.0%	0.3%	1.5%	0.9%
Boston	2.7%	0.5%	-1.3%	-0.7%	-1.2%	-0.7%	0.0%
Dartmouth	-1.5%	2.8%	3.1%	3.4%	0.2%	0.7%	1.1%
Lowell	1.0%	0.8%	0.2%	2.2%	0.6%	1.0%	0.7%
Medical	-3.6%	-4.2%	-1.1%	3.2%	0.2%	2.1%	2.0%
Central	14.7%	-1.5%	0.7%	6.4%	1.1%	2.4%	1.3%
University	1.2%	0.1%	0.2%	1.6%	0.2%	1.3%	1.1%

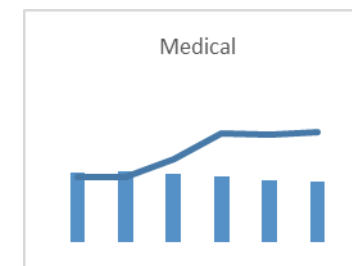
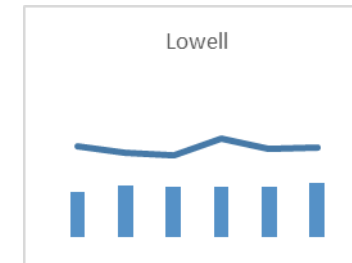
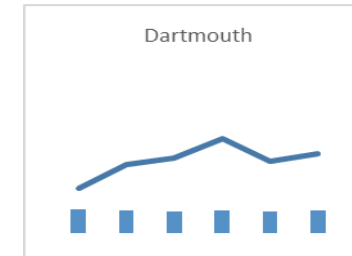
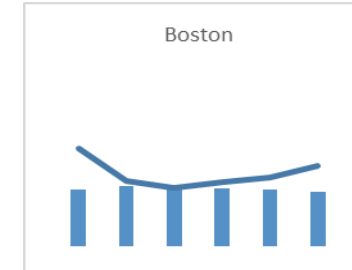
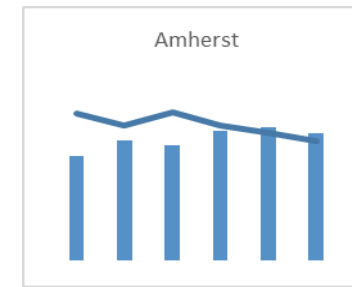


Debt Service Coverage

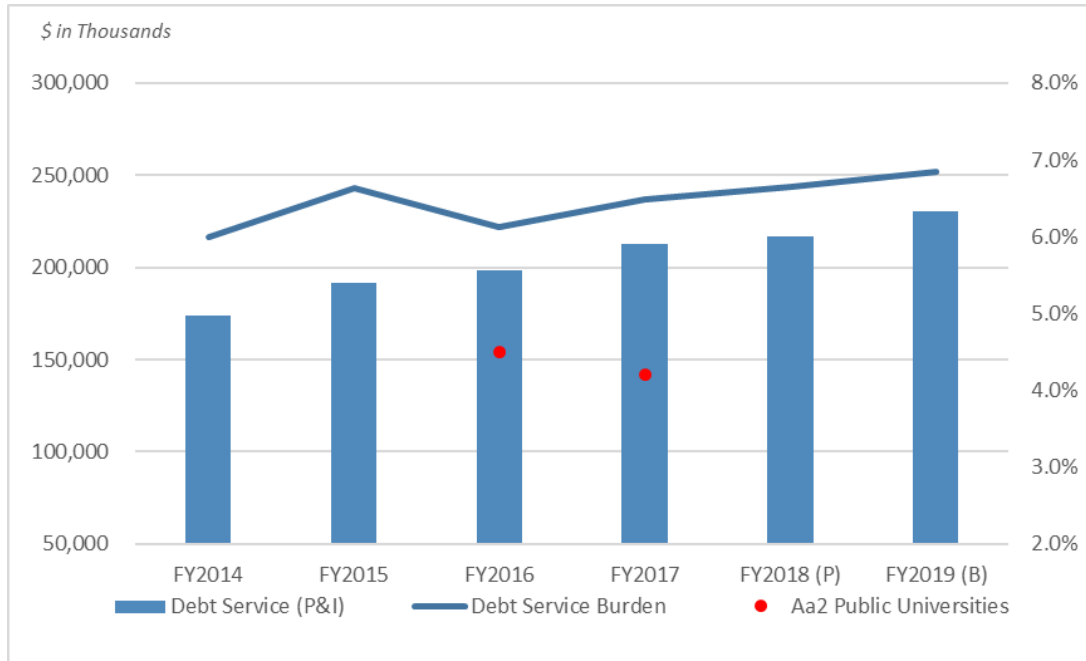


	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	2.5	2.3	2.5	2.3	2.1	2.2	2.0
Boston	1.7	1.2	1.0	1.1	1.2	1.2	1.4
Dartmouth	0.8	1.3	1.4	1.8	1.3	1.4	1.5
Lowell	1.8	1.7	1.7	2.0	1.8	1.8	1.8
Medical	1.3	1.3	1.7	2.2	1.9	2.2	2.2
Central	N/A	4.7	4.6	5.7	2.4	2.7	1.6
University	1.9	1.6	1.9	2.1	1.8	1.9	1.9

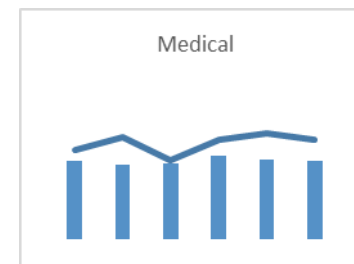
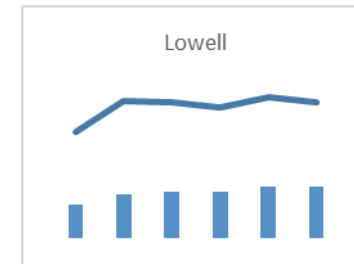
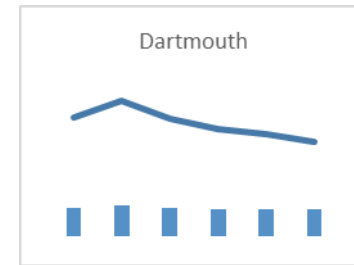
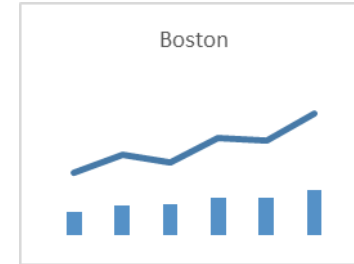
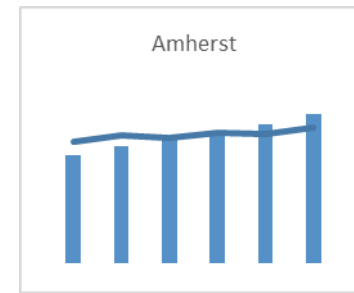
Note: Moody's pension adjustment not applied to FY18 & FY19; FY14-FY17 do not match Moody's report due to principal amounts used by Moody's in the calculation.



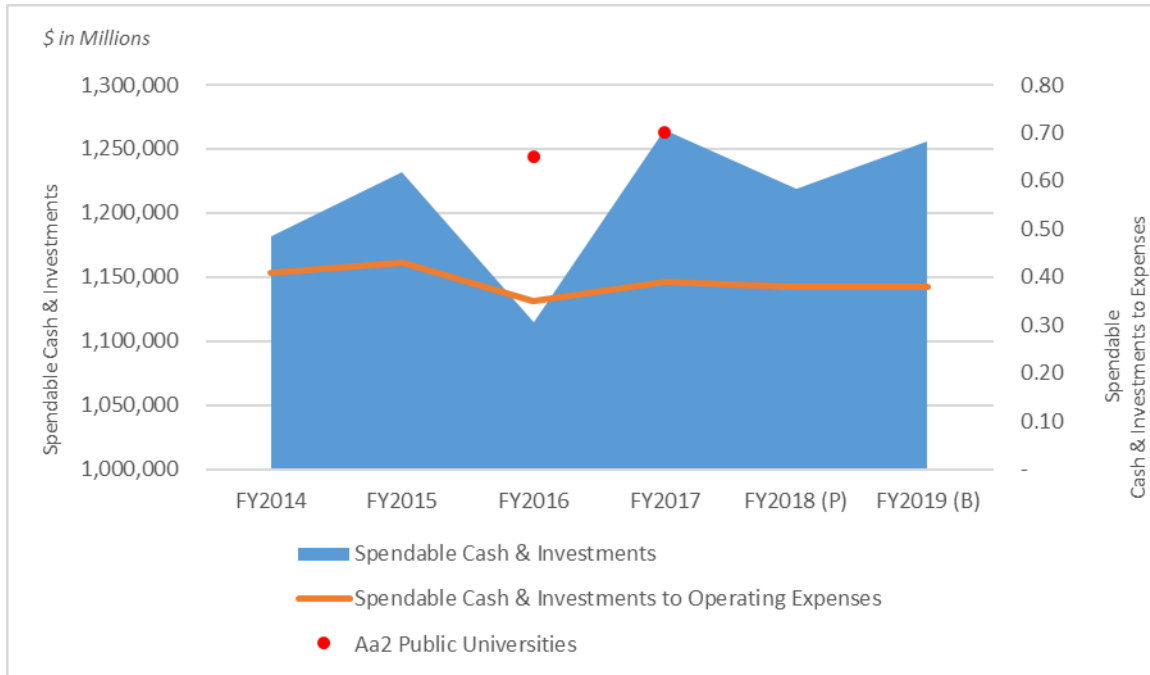
Debt Service Burden



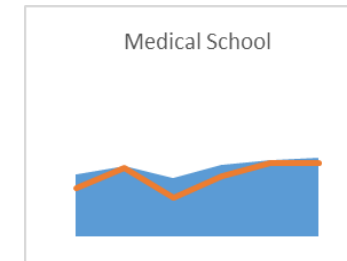
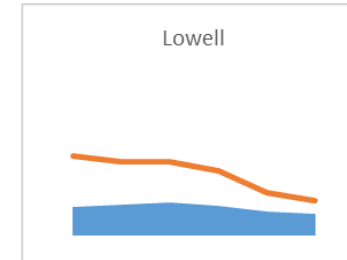
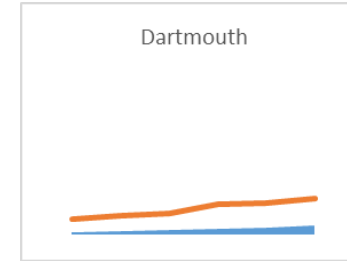
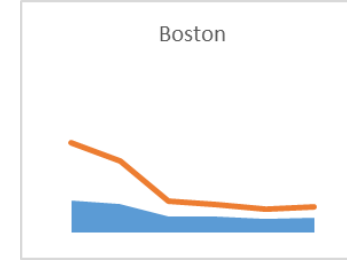
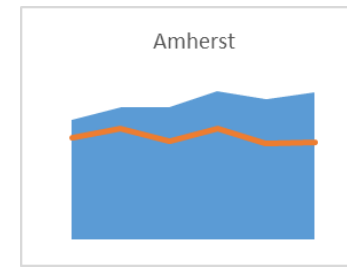
	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	6.2%	6.4%	6.4%	6.6%	6.5%	6.5%	6.7%
Boston	4.5%	5.2%	4.9%	5.9%	5.9%	5.8%	6.9%
Dartmouth	8.5%	9.3%	8.4%	7.8%	7.1%	7.5%	7.1%
Lowell	6.3%	7.6%	7.5%	7.3%	7.7%	7.7%	7.5%
Medical	5.6%	6.2%	5.2%	6.0%	5.9%	6.3%	6.1%
Central	0.1%	3.1%	3.7%	3.4%	3.4%	3.4%	5.8%
University	6.0%	6.6%	6.1%	6.5%	6.5%	6.6%	6.8%



Spendable Cash & Investments



	Actual				Budget	Projection	Budget
	FY2014	FY2015	FY2016	FY2017	FY2018 (B)	FY2018 (P)	FY2019 (B)
Amherst	0.43	0.46	0.42	0.46	0.41	0.41	0.41
Boston	0.39	0.33	0.20	0.19	0.14	0.17	0.18
Dartmouth	0.15	0.16	0.17	0.20	0.20	0.20	0.21
Lowell	0.36	0.34	0.34	0.31	0.30	0.24	0.22
Medical	0.26	0.33	0.23	0.30	0.31	0.35	0.35
Central	2.18	1.83	1.44	1.86	1.70	1.63	1.64
University	0.41	0.43	0.35	0.39	0.37	0.38	0.38



Campus Data

Amherst: Revenue & Expenses

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	AMHERST Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Gross Tuition & Fees	561,039	533,364	27,675	5.2%	513,450	481,072	440,723
Tuition Discounts	(158,632)	(150,540)	(8,092)	5.4%	(139,441)	(114,881)	(99,261)
<i>Tuition Discount Rate</i>	28.3%	28.2%			27.2%	23.9%	22.5%
Net Tuition & Fees	402,407	382,824	19,583	5.1%	374,009	366,191	341,462
Grants	157,607	153,142	4,465	2.9%	148,554	145,217	137,136
Sales & Service, Educational	9,796	9,509	287	3.0%	9,137	8,935	8,908
Auxiliary Enterprises	276,141	267,365	8,776	3.3%	256,110	241,428	223,784
Other Operating	18,259	18,000	259	1.4%	16,575	22,413	19,010
State appropriations	363,541	361,577	1,964	0.5%	345,411	319,541	298,423
Other NonOperating	71,335	68,722	2,613	3.8%	66,258	70,716	53,891
Total Revenues	1,299,086	1,261,140	37,947	3.0%	1,216,054	1,174,441	1,082,614

Expenses	Budget FY2019	Projection FY2018	AMHERST Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Salaries & Fringe	764,195	747,570	16,625	2.2%	712,315	676,474	621,583
Non-personnel	340,381	322,446	17,935	5.6%	306,743	308,850	295,012
Scholarships and fellowships	19,606	18,500	1,106	6.0%	17,378	14,452	20,215
Depreciation	115,982	111,002	4,980	4.5%	100,409	96,614	89,442
Interest	41,978	38,481	3,497	9.1%	36,250	32,417	29,820
Total Expenses	1,282,143	1,237,999	44,144	3.6%	1,173,095	1,128,807	1,056,072

Amherst: Enrollment

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
In State	17,672	17,438	17,412	17,003
Out of State	5,255	5,205	5,176	5,166
Undergraduate Total	22,927	22,643	22,588	22,169
% Growth	1.3%	0.2%	1.9%	
Graduate				
In State	1,179	1,154	1,052	1,040
Out of State	2,629	2,554	2,444	2,377
Graduate Total	3,808	3,708	3,496	3,417
% Growth	2.7%	6.1%	2.3%	
Continuing Ed				
In State	247	247	228	242
Out of State	225	225	200	223
Continuing Ed Total	472	472	428	464
% Growth	0.0%	10.2%	-7.7%	
Online Only				
In State	1,037	988	973	857
Out of State	945	900	854	789
Online Only Total	1,982	1,888	1,827	1,647
% Growth	5.0%	3.4%	10.9%	
Grand Total	29,189	28,711	28,339	27,697
% Growth	1.7%	1.3%	2.3%	

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
New	6,441	6,182	6,184	6,100
Continuing	16,486	16,461	16,404	16,069
Undergraduate Total	22,927	22,643	22,588	22,169
% Growth	1.3%	0.2%	1.9%	
Graduate				
New	1,544	1,444	1,249	1,212
Continuing	2,264	2,264	2,247	2,205
Graduate Total	3,808	3,708	3,496	3,417
% Growth	2.7%	6.1%	2.3%	
Continuing Ed				
New	155	155	132	145
Continuing	317	317	296	319
Continuing Ed Total	472	472	428	464
% Growth	-0.1%	10.2%	-7.7%	
Online Only				
New	716	621	564	514
Continuing	1,266	1,267	1,263	1,133
Online Only Total	1,982	1,888	1,827	1,647
% Growth	5.0%	3.4%	10.9%	
Grand Total	29,189	28,711	28,339	27,697
% Growth	1.7%	1.3%	2.3%	

Amherst: Admissions

- New Freshmen (May 1st deadline): Applicants strong and deposits exceeding prior year.
- Transfers (Rolling enrollment process): Applicants strong; deposits to date tracking toward prior year.
- Graduate (Rolling enrollment process): Applicants strong; deposits to date tracking toward prior year.

Amherst						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 (%)	Fall 17 (Actual)	Fall 17 (%)	Fall 16 (Actual)	Fall 16 (%)
New Freshman						
Applicants	41,573		41,922		40,704	
Accepted	24,871	60%	24,102	57%	24,275	60%
Deposits	5,361	22%	5,018	21%	4,940	20%
Enrolled	3,315	13%	4,714	20%	4,643	19%

Amherst						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 (%)	Fall 17 (Actual)	Fall 17 (%)	Fall 16 (Actual)	Fall 16 (%)
Transfers						
Applicants	4,470		3,774		3,811	
Accepted	2,416	54%	2,577	68%	2,483	65%
Deposits	1,469	61%	1,705	66%	1,674	67%
Enrolled	172	7%	1,535	60%	1,527	61%

Transfer includes all state-supported and CPE transfer students. Excludes post-graduate and Associate's degree transfers.

Amherst						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 (%)	Fall 17 (Actual)	Fall 17 (%)	Fall 16 (Actual)	Fall 16 (%)
Graduate						
Applicants	10,203		9,821		9,411	
Accepted	3,867	38%	3,897	40%	3,572	38%
Deposits	2,022	52%	2,205	57%	2,012	56%
Enrolled	1,197	31%	1,800	46%	1,641	46%

(1) Campus supplied as of 6/29/18; may differ from historicals reported from other sources. Enrolled for current cycle is students currently enrolled in at least one credit-bearing class section. These numbers will increase.

Amherst: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary				
	423	5,330		5,752	5,676	5,494	
	423	4,229	1,101	5,752	5,676	5,494	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	49	1,527	-	1,576	1,558	1,550	
Staff	374	2,702	1,101	4,176	4,118	3,944	
Executive / Administrative / Managerial	2	129	7	138	138	140	
Professional Non Faculty	302	1,208	235	1,746	1,736	1,596	
Secretarial / Clerical	33	594	125	752	752	745	
Technical / Paraprofessional	30	291	61	382	382	382	
Skilled Crafts	-	170	83	253	253	251	
Service / Maintenance	6	310	590	906	856	829	
Vacant / New				-			

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

Amherst: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	0.9%	1.5%	3.0%	4.1%	2.8%
<i>Operating Margin (\$)</i>	<i>11,819</i>	<i>18,255</i>	<i>35,979</i>	<i>48,150</i>	<i>30,624</i>
Operating Cash Flow Margin (%)	13.6%	14.0%	14.8%	15.6%	14.6%
<i>Operating Cash Flow Margin (\$)</i>	<i>174,471</i>	<i>174,125</i>	<i>176,745</i>	<i>181,720</i>	<i>156,493</i>
Debt Service Burden (%)	6.7%	6.5%	6.6%	6.4%	6.4%
Annual Debt Service Coverage (x)	2.0	2.2	2.3	2.5	2.3
<i>Debt Service (P+I)</i>	<i>86,207</i>	<i>80,321</i>	<i>77,011</i>	<i>71,995</i>	<i>68,087</i>
Spendable Cash & Investments to Operating Expenses (x)	0.41	0.41	0.46	0.42	0.46
FTE Enrollment	29,189	28,711	28,339	27,697	27,098

Depreciation and interest are increasing due to the financing and/or completion of the PSB, Chiller Plant, DuBois upgrades, Isenberg addition, Vivarium, and the Mt. Ida borrowing.

Boston: Revenue & Expenses

(\$ in Thousands)

Revenues	BOSTON						
	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Gross Tuition & Fees	254,035	245,075	8,960	3.7%	240,235	232,355	213,968
Tuition Discounts	(63,036)	(56,607)	(6,429)	11.4%	(53,820)	(45,471)	(44,311)
Discount Rate	24.8%	23.1%			22.4%	19.6%	20.7%
Net Tuition & Fees	190,999	188,468	2,531	1.3%	186,415	186,884	169,657
Grants	58,201	58,201	-	0.0%	58,201	53,927	48,561
Sales & Service, Educational	4,036	4,036	-	0.0%	3,979	3,709	4,197
Auxiliary Enterprises	8,252	5,752	2,500	43.5%	6,167	5,965	9,211
Other Operating	1,906	1,656	250	15.1%	1,818	2,837	854
State appropriations	136,471	133,936	2,535	1.9%	130,157	117,987	110,295
Other NonOperating	37,104	36,720	384	1.0%	36,597	35,093	33,347
Total Revenues	436,969	428,769	8,200	1.9%	423,334	406,402	376,122

Expenses	BOSTON						
	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Salaries & Fringe	269,623	272,834	(3,211)	-1.2%	275,330	266,100	244,755
Non-personnel	101,446	102,962	(1,516)	-1.5%	98,250	101,713	95,721
Scholarships and fellowships	18,771	18,771	-	0.0%	16,161	16,047	12,254
Depreciation	29,474	24,170	5,304	21.9%	22,246	18,988	16,572
Interest	17,186	12,563	4,623	36.8%	12,476	9,064	8,133
Total Expenses	436,500	431,300	5,200	1.2%	424,463	411,912	377,435

Boston: Enrollment

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
In State	8,527	8,291	7,968	8,057
Out of State	1,575	1,544	1,496	1,558
Undergraduate Total	10,102	9,835	9,464	9,615
% Growth	2.7%	3.9%	-1.6%	
Graduate				
In State	1,067	1,118	1,083	1,164
Out of State	645	684	721	704
Graduate Total	1,712	1,802	1,804	1,868
% Growth	-5.0%	-0.1%	-3.4%	
Continuing Ed				
In State	399	391	519	483
Out of State	311	306	414	343
Continuing Ed Total	710	697	933	825
% Growth	1.9%	-25.3%	13.0%	
Online Only				
In State	426	449	517	506
Out of State	238	254	295	323
Online Only Total	664	703	812	829
% Growth	-5.5%	-13.4%	-2.1%	
Grand Total	13,188	13,036	13,013	13,137
% Growth	1.2%	0.2%	-0.9%	

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
New	3,250	2,995	2,595	2,683
Continuing	6,852	6,838	6,870	6,931
Undergraduate Total	10,102	9,834	9,464	9,615
% Growth	2.7%	3.9%	-1.6%	
Graduate				
New	520	563	594	695
Continuing	1,192	1,238	1,209	1,173
Graduate Total	1,712	1,801	1,804	1,868
% Growth	-5.0%	-0.1%	-3.4%	
Continuing Ed				
New	228	320	458	415
Continuing	482	377	475	410
Continuing Ed Total	710	697	933	825
% Growth	1.9%	-25.3%	13.0%	
Online Only				
New	202	200	210	226
Continuing	462	504	601	603
Online Only Total	664	704	811	829
% Growth	-5.7%	-13.2%	-2.2%	
Grand Total	13,188	13,036	13,012	13,137
% Growth	1.2%	0.2%	-1.0%	

Boston: Admissions

- New Freshmen (May 1st deadline): Applicants strong and deposits exceeding prior year.
- Transfers (Rolling enrollment process): Lower applicant and acceptance pool; will need to watch deposits and enrollments.
- Graduate (Rolling enrollment process): Lower applicant and acceptance pool; will need to watch deposits.

Boston						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 %	Fall 17 (Actual)	Fall 17 %	Fall 16 (Actual)	Fall 16 %
New Freshman						
Applicants	11,827		10,497		9,850	
Accepted	9,208	78%	7,861	75%	6,749	69%
Deposits	2,673	29%	1,980	25%	1,716	25%
Enrolled	1,603	17%	1,850	24%	1,599	24%

Boston						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 %	Fall 17 (Actual)	Fall 17 %	Fall 16 (Actual)	Fall 16 %
Transfers						
Applicants	2,228		2,980		2,919	
Accepted	1,901	85%	2,578	87%	2,488	85%
Deposits	918	48%	1,597	62%	1,609	65%
Enrolled	453	24%	1,497	58%	1,501	60%

Boston						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 %	Fall 17 (Actual)	Fall 17 %	Fall 16 (Actual)	Fall 16 %
Graduate						
Applicants	2,253		2,347		2,604	
Accepted	1,098	49%	1,262	54%	1,429	55%
Deposits	598	54%	824	65%	964	67%
Enrolled	379	35%	779	62%	918	64%

(1) A&F Executive Dashboard data as of 6/29/18; may differ from historicals reported from other sources.

Boston: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
	165	1,812		1,977	1,976	2,128	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary				
	165	1,769	43	1,977	1,976	2,128	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	15	840	-	855	854	883	
Staff	150	929	43	1,122	1,122	1,245	
Executive / Administrative / Managerial	1	89	1	91	91	96	
Professional Non Faculty	143	555	17	715	715	796	
Secretarial / Clerical	5	154	10	169	169	202	
Technical / Paraprofessional	1	105	1	107	107	109	
Skilled Crafts	-	11	-	11	11	12	
Service / Maintenance	-	15	14	29	29	30	
Vacant / New							

Boston: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	0.0%	-0.7%	-0.7%	-1.3%	0.5%
<i>Operating Margin (\$)</i>	-	(3,000)	(3,001)	(5,369)	1,822
Operating Cash Flow Margin (%)	10.5%	7.6%	7.1%	5.4%	6.4%
<i>Operating Cash Flow Margin (\$)</i>	43,416	30,938	28,684	21,192	23,220
Debt Service Burden (%)	6.9%	5.8%	5.9%	4.9%	5.2%
Annual Debt Service Coverage (x)	1.4	1.2	1.1	1.0	1.2
<i>Debt Service (P+I)</i>	30,170	25,152	25,110	20,340	19,812
Spendable Cash & Investments to Operating Expenses (x)	0.18	0.17	0.19	0.20	0.33
FTE Enrollment	13,188	13,036	13,013	13,137	12,833

Depreciation and interest are increasing due to the financing and/or completion of the UCRR, Clark Roof, Elevator upgrades, REAB, Parking Garage, Bayside Parking Lot, Healey Roof, Harborwalk, ISC, CPCT, University Hall, Fox Point, and the Dining Facility.

Dartmouth: Revenue & Expenses

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	DARTMOUTH Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Gross Tuition & Fees	121,776	116,229	5,546	4.8%	115,421	112,467	108,033
Tuition Discounts	(38,467)	(38,470)	4	0.0%	(38,179)	(35,987)	(35,764)
<i>Tuition Discount Rate</i>	<i>31.6%</i>	<i>33.1%</i>			<i>33.1%</i>	<i>32.0%</i>	<i>33.1%</i>
Net Tuition & Fees	83,309	77,759	5,550	7.1%	77,242	76,480	72,269
Grants	19,100	19,100	-	0.0%	19,534	18,511	17,761
Sales & Service, Educational	96	96	-	0.0%	45	71	40
Auxiliary Enterprises	51,911	47,150	4,761	10.1%	48,349	48,835	47,374
Other Operating	3,550	3,550	0	0.0%	6,237	5,016	6,447
State appropriations	84,198	83,857	341	0.4%	80,436	75,971	70,006
Other NonOperating	18,396	17,321	1,075	6.2%	16,542	16,397	17,795
Total Revenues	260,560	248,833	11,727	4.7%	248,385	241,281	231,692

Expenses	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Salaries & Fringe	150,699	148,304	2,395	1.6%	142,247	142,174	138,028
Non-personnel	74,595	66,719	7,876	11.8%	64,262	63,166	54,923
Scholarships and fellowships	5,001	4,798	203	4.2%	4,821	5,001	7,442
Depreciation	21,503	19,927	1,576	7.9%	18,647	17,904	16,663
Interest	8,277	8,583	(306)	-3.6%	8,786	7,968	8,252
Total Expenses	260,074	248,330	11,744	4.7%	238,763	236,213	225,308

Dartmouth: Enrollment

<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
In State	5,267	5,117	5,433	5,762
Out of State	465	465	470	425
Undergraduate Total	5,732	5,582	5,903	6,187
<i>% Growth</i>	2.7%	-5.4%	-4.6%	
Graduate				
In State	382	382	374	343
Out of State	316	316	407	403
Graduate Total	698	698	781	746
<i>% Growth</i>	0.0%	-10.6%	4.6%	
Continuing Ed				
In State	355	383	240	258
Out of State	121	124	91	94
Continuing Ed Total	476	508	331	352
<i>% Growth</i>	-6.2%	53.4%	-5.9%	
Online Only				
In State	256	234	250	207
Out of State	91	81	88	51
Online Only Total	347	315	338	258
<i>% Growth</i>	10.1%	-6.8%	31.0%	
Law School				
In State	95	95	87	105
Out of State	89	89	69	63
Law School Total	184	184	156	168
<i>% Growth</i>	0.0%	17.4%	-6.8%	
Grand Total	7,436	7,286	7,509	7,711
<i>% Growth</i>	2.1%	-3.0%	-2.6%	

<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
New	1,797	1,647	1,658	1,764
Continuing	3,934	3,934	4,245	4,423
Undergraduate Total	5,731	5,582	5,903	6,187
<i>% Growth</i>	2.7%	-5.4%	-4.6%	
Graduate				
New	257	257	284	299
Continuing	441	441	497	447
Graduate Total	698	698	781	746
<i>% Growth</i>	0.0%	-10.6%	4.6%	
Continuing Ed				
New	300	282	215	223
Continuing	176	226	116	129
Continuing Ed Total	476	508	331	352
<i>% Growth</i>	-6.2%	53.4%	-5.9%	
Online Only				
New	152	138	113	86
Continuing	195	177	225	172
Online Only Total	347	315	338	258
<i>% Growth</i>	10.1%	-6.8%	31.0%	
Law School				
New	77	77	60	61
Continuing	107	107	97	107
Law School Total	184	184	156	168
<i>% Growth</i>	0.0%	17.4%	-6.8%	
Grand Total	7,435	7,286	7,509	7,711
<i>% Growth</i>	2.1%	-3.0%	-2.6%	

Dartmouth: Admissions

- New Freshmen (May 1st deadline): While applicants lower, acceptances and deposits on trend with prior year.
- Transfers (Rolling enrollment process): Consistent with prior years for applicants, acceptances and deposits; Includes Mt. Ida students.
- Graduate (Rolling enrollment process): Lower applicant pool driving lower acceptance and deposit rates.

Dartmouth						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 %	Fall 17 (Actual)	Fall 17 %	Fall 16 (Actual)	Fall 16 %
New Freshman						
Applicants	7,530		7,966		8,172	
Accepted	6,696	89%	6,672	84%	6,195	76%
Deposits	1,513	23%	1,483	22%	1,528	25%
Enrolled	1,356	20%	1,320	20%	1,359	22%

Dartmouth						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 %	Fall 17 (Actual)	Fall 17 %	Fall 16 (Actual)	Fall 16 %
Transfers						
Applicants	1,196		1,179		1,032	
Accepted	1,066	89%	1,005	85%	890	86%
Deposits	682	64%	694	69%	595	67%
Enrolled	503	47%	599	60%	506	57%

Dartmouth						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 %	Fall 17 (Actual)	Fall 17 %	Fall 16 (Actual)	Fall 16 %
Graduate						
Applicants	729		920		871	
Accepted	503	69%	562	61%	661	76%
Deposits	252	50%	478	85%	464	70%
Enrolled	133	26%	428	76%	409	62%

(1) A&F Executive Dashboard data as of 6/29/18; may differ from historicals reported from other sources.

Dartmouth: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
		Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary			
	36		1,151		1,187	1,187	1,119
	36		1,045	106	1,187	1,187	1,119
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	4		452	-	456	456	423
Staff	32		593	106	731	731	696
Executive / Administrative / Managerial	0		54	2	56	56	53
Professional Non Faculty	25		272	30	327	327	298
Secretarial / Clerical	2		158	8	168	168	166
Technical / Paraprofessional	4		44	2	50	50	50
Skilled Crafts	-		18	12	30	30	31
Service / Maintenance	-		47	52	99	99	99
Vacant / New					-	-	-

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

Dartmouth: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	1.1%	0.7%	3.4%	3.1%	2.8%
<i>Operating Margin (\$)</i>	2,809	1,691	8,442	7,434	6,484
Operating Cash Flow Margin (%)	11.1%	10.6%	13.9%	12.1%	12.5%
<i>Operating Cash Flow Margin (\$)</i>	28,166	25,434	33,475	28,208	27,482
Debt Service Burden (%)	7.1%	7.5%	7.8%	8.4%	9.3%
Annual Debt Service Coverage (x)	1.5	1.4	1.8	1.4	1.3
<i>Debt Service (P+I)</i>	18,590	18,703	18,688	19,772	21,052
Spendable Cash & Investments to Operating Expenses (x)	0.21	0.20	0.20	0.17	0.16
FTE Enrollment	7,436	7,286	7,509	7,711	7,930

Depreciation and interest are increasing due to the financing and/or completion of Charlton COB, SMAST, Classroom, Teaching Lab, Learning Space, and Research Lab improvements.

Lowell: Revenue & Expenses

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	LOWELL		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Gross Tuition & Fees	269,821	256,665	13,156	5.1%	243,228	224,065	205,731
Tuition Discounts	(64,403)	(60,709)	(3,694)	6.1%	(54,517)	(45,417)	(40,768)
<i>Tuition Discount Rate</i>	23.9%	23.7%			22.4%	20.3%	19.8%
Net Tuition & Fees	205,418	195,956	9,462	4.8%	188,711	178,648	164,963
Grants	44,584	43,217	1,367	3.2%	42,190	41,346	44,186
Sales & Service, Educational	814	790	24	3.0%	767	89	66
Auxiliary Enterprises	66,774	65,846	928	1.4%	60,570	57,782	52,725
Other Operating	7,435	7,218	217	3.0%	7,008	7,984	8,205
State appropriations	120,354	118,770	1,584	1.3%	111,859	104,725	96,633
Other NonOperating	28,032	29,177	(1,145)	-3.9%	28,738	27,826	23,378
Total Revenues	473,410	460,974	12,436	2.7%	439,843	418,400	390,156

Expenses	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			Variance				
			\$	%			
Salaries & Fringe	273,894	263,926	9,968	3.8%	249,312	239,536	219,200
Non-personnel	124,252	122,156	2,096	1.7%	116,761	114,923	111,693
Scholarships and fellowships	11,261	11,011	250	2.3%	9,316	9,134	9,383
Depreciation	39,236	36,682	2,554	7.0%	34,127	32,985	28,666
Interest	21,500	21,391	109	0.5%	18,790	21,272	18,371
Total Expenses	470,143	455,166	14,977	3.3%	428,306	417,850	387,313

Lowell: Enrollment

<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
In State	9,192	8,898	8,411	8,322
Out of State	1,386	1,342	1,326	1,229
Undergraduate Total	10,578	10,240	9,737	9,551
<i>% Growth</i>	3.3%	5.2%	1.9%	
Graduate				
In State	1,026	1,026	1,008	952
Out of State	768	768	809	805
Graduate Total	1,794	1,794	1,817	1,757
<i>% Growth</i>	0.0%	-1.3%	3.4%	
Continuing Ed				
In State	302	329	357	401
Out of State	142	155	210	213
Continuing Ed Total	444	484	567	614
<i>% Growth</i>	-8.3%	-14.6%	-7.7%	
Online Only				
In State	1,285	1,212	1,109	1,011
Out of State	736	694	675	688
Online Only Total	2,020	1,906	1,784	1,699
<i>% Growth</i>	6.0%	6.8%	5.0%	
Grand Total	14,836	14,424	13,905	13,621
<i>% Growth</i>	2.9%	3.7%	2.1%	

<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
New	2,978	2,884	2,669	2,704
Continuing	7,600	7,356	7,069	6,847
Undergraduate Total	10,578	10,240	9,738	9,551
<i>% Growth</i>	3.3%	5.2%	2.0%	
Graduate				
New	650	674	711	661
Continuing	1,144	1,120	1,107	1,096
Graduate Total	1,794	1,794	1,818	1,757
<i>% Growth</i>	0.0%	-1.3%	3.5%	
Continuing Ed				
New	115	127	169	171
Continuing	329	357	398	444
Continuing Ed Total	444	484	567	615
<i>% Growth</i>	-8.3%	-14.6%	-7.8%	
Online Only				
New	602	562	518	449
Continuing	1,418	1,345	1,266	1,249
Online Only Total	2,020	1,907	1,784	1,698
<i>% Growth</i>	5.9%	6.9%	5.1%	
Grand Total	14,836	14,425	13,907	13,621
<i>% Growth</i>	2.8%	3.7%	2.1%	

Lowell: Admissions

- New Freshmen (May 1st deadline): Applications strong; deposits year-to-date exceeding prior year enrolled.
- Transfers (Rolling enrollment process): Lower applicant and acceptance pool; will need to watch deposits and enrollments.
- Graduate (Rolling enrollment process): Lower applicant and acceptance pool; will need to watch deposits.

Lowell						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 (%)	Fall 17 (Actual)	Fall 17 (%)	Fall 16 (Actual)	Fall 16 (%)
New Freshman						
Applicants	12,122		11,106		11,224	
Accepted	8,675	72%	7,629	69%	6,766	60%
Deposits	2,150	25%	2,000	26%	1,683	25%
Enrolled	1,964	23%	1,997	26%	1,682	25%

Lowell						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 (%)	Fall 17 (Actual)	Fall 17 (%)	Fall 16 (Actual)	Fall 16 (%)
Transfers						
Applicants	1,433		1,820		1,956	
Accepted	1,313	92%	1,684	93%	1,800	92%
Deposits	777	59%	1,069	63%	1,165	65%
Enrolled	605	46%	1,062	63%	1,159	64%

Lowell						
Fall Admissions (1)	Fall 18 (YTD)	Fall 18 (%)	Fall 17 (Actual)	Fall 17 (%)	Fall 16 (Actual)	Fall 16 (%)
Graduate						
Applicants	2,203		3,255		2,892	
Accepted	1,622	74%	2,474	76%	2,160	75%
Deposits	885	55%	1,383	56%	1,362	63%
Enrolled	677	42%	1,328	54%	1,289	60%

(1) Campus supplied as of 6/29/18; may differ from historical data reported from other sources. Graduate students may apply simultaneously to multiple programs, and this report shows each application. It is only after the add/drop deadline, however, that a student's final program is able to be determined, at which time any other applications are cancelled. As a result, some numbers reported here may be lower after the add/drop deadline.

Lowell: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
	110	1,910		2,029	1,961	1,866	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary				
	110	1,822	89	2,029	1,961	1,866	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	10	832	-	843	807	783	
Staff	100	989	89	1,187	1,105	1,082	
Executive / Administrative / Managerial	-	66	3	69	65	63	
Professional Non Faculty	86	688	40	813	764	738	
Secretarial / Clerical	0	54	7	61	55	56	
Technical / Paraprofessional	14	64	4	82	81	85	
Skilled Crafts	-	48	13	61	53	55	
Service / Maintenance	-	69	22	91	87	85	
Vacant / New				9	49		

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

Lowell: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	0.7%	1.0%	2.2%	0.2%	0.8%
<i>Operating Margin (\$)</i>	3,167	4,607	9,424	696	2,928
Operating Cash Flow Margin (%)	13.8%	13.9%	14.6%	12.8%	13.3%
<i>Operating Cash Flow Margin (\$)</i>	63,592	62,378	62,350	51,839	50,613
Debt Service Burden (%)	7.5%	7.7%	7.3%	7.5%	7.6%
Annual Debt Service Coverage (x)	1.8	1.8	2.0	1.7	1.7
<i>Debt Service (P+I)</i>	35,146	35,004	31,155	31,295	29,330
Spendable Cash & Investments to Operating Expenses (x)	0.22	0.24	0.31	0.34	0.34
FTE Enrollment	14,836	14,424	13,905	13,621	13,369

Depreciation and interest are increasing due to the financing and/or completion of Pulichino Tong, Property Acquisitions, Fox Elevators, Recreational Fields, Perkins, Technology Infrastructure, Pasteur, Wannalancit, and Cumnock.

Medical School: Revenue & Expenses

(\$ in Thousands)

Revenues	MEDICAL SCHOOL						
	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Gross Tuition & Fees	31,062	27,941	3,121	11.2%	24,206	20,881	18,929
Tuition Discounts	(3,626)	(3,262)	(364)	11.2%	(2,751)	(2,269)	(2,060)
<i>Tuition Discount Rate</i>	11.7%	11.7%			11.4%	10.9%	10.9%
Net Tuition & Fees	27,436	24,679	2,757	11.2%	21,455	18,612	16,869
Grants	267,101	267,898	(797)	-0.3%	275,662	258,499	254,296
Sales & Service, Educational	12,359	12,116	243	2.0%	12,790	12,443	10,261
Auxiliary Enterprises	31,607	30,987	620	2.0%	29,626	29,271	29,099
Other Operating	184,249	177,764	6,485	3.6%	190,611	258,246	91,425
State appropriations	55,816	54,659	1,157	2.1%	52,250	50,634	45,843
Other NonOperating	23,490	23,796	(306)	-1.3%	45,579	5,699	14,224
Independent Business Lines	294,013	277,769	16,244	5.8%	371,618	330,259	312,077
Total Revenues	896,071	869,668	26,403	3.0%	999,591	963,663	774,094

Expenses	MEDICAL SCHOOL						
	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Salaries & Fringe	443,163	427,503	15,660	3.7%	407,304	407,159	383,248
Non-personnel	331,639	321,575	10,064	3.1%	439,960	484,916	331,473
Scholarships and fellowships	-	-	-	0.0%	-	-	-
Depreciation	68,973	66,115	2,858	4.3%	64,801	65,133	63,166
Interest	30,611	32,765	(2,154)	-6.6%	30,067	30,658	34,009
Total Expenses	874,386	847,958	26,428	3.1%	942,132	987,866	811,896

Medical School: Enrollment

<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Graduate				
In State	762	768	773	788
Out of State	349	306	300	268
Graduate Total	1,111	1,074	1,073	1,056
<i>% Growth</i>	3.4%	0.1%	1.6%	
Continuing Ed				
In State	0	0	0	0
Out of State	0	0	0	0
Continuing Ed Total	0	0	0	0
<i>% Growth</i>	0.0%	0.0%	0.0%	
Online Only				
In State	0	0	0	0
Out of State	0	0	0	0
Online Only Total	0	0	0	0
<i>% Growth</i>	0.0%	0.0%	0.0%	
Grand Total	1,111	1,074	1,073	1,056
<i>% Growth</i>	3.4%	0.1%	1.6%	

<i>Students (FTEs)</i>	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Graduate				
New	271	271	257	231
Continuing	840	803	816	825
Graduate Total	1,111	1,074	1,073	1,056
<i>% Growth</i>	3.4%	0.1%	1.6%	
Continuing Ed				
New	0	0	0	0
Continuing	0	0	0	0
Continuing Ed Total	0	0	0	0
<i>% Growth</i>	0.0%	0.0%	0.0%	
Online Only				
New	0	0	0	0
Continuing	0	0	0	0
Online Only Total	0	0	0	0
<i>% Growth</i>	0.0%	0.0%	0.0%	
Grand Total	1,111	1,074	1,073	1,056
<i>% Growth</i>	3.4%	0.1%	1.6%	

Medical School: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
	1,132	2,523		3,950	3,654	3,444	
	Grants / Gifts /	General	Independent				
	1,132	1,232	1,292	3,950	3,654	3,444	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	242	215	13	470	470	410	
Staff	890	1,017	1,278	3,480	3,185	3,034	
Executive / Administrative / Managerial	13	57	72	141	141	154	
Professional Non Faculty	724	675	762	2,162	2,162	2,075	
Secretarial / Clerical	22	128	149	299	299	299	
Technical / Paraprofessional	127	91	154	373	373	298	
Skilled Crafts	-	13	76	89	89	84	
Service / Maintenance	4	52	66	122	122	124	
Not Defined (2)	-	-	-	-	-	-	
Vacant / New				295			

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

Medical School: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	2.0%	2.1%	3.2%	-1.1%	-4.2%
<i>Operating Margin (\$)</i>	17,902	17,929	30,671	(10,599)	(32,614)
Operating Cash Flow Margin (%)	13.2%	13.4%	12.8%	8.7%	8.4%
<i>Operating Cash Flow Margin (\$)</i>	117,508	115,512	124,814	85,444	65,287
Debt Service Burden (%)	6.1%	6.3%	6.0%	5.2%	6.2%
Annual Debt Service Coverage (x)	2.2	2.2	2.2	1.7	1.3
<i>Debt Service (P+I)</i>	53,025	53,559	56,725	51,464	50,133
Spendable Cash & Investments to Operating Expenses (x)	0.35	0.35	0.30	0.23	0.33
FTE Enrollment	1,111	1,074	1,073	1,056	1,071

Depreciation is increasing due to a small amount of new capital projects; no major capital projects coming online.

President's Office: Revenue & Expenses

(\$ in Thousands)

Revenues	Budget FY2019	Projection FY2018	CENTRAL Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Gross Tuition & Fees	6,684	6,805	(121)	-1.8%	6,461	5,204	4,701
Tuition Discounts	-	-	-	-	-	-	-
Net Tuition & Fees	6,684	6,805	(121)	-1.8%	6,461	5,204	4,701
Grants	17,325	20,277	(2,952)	-14.6%	18,644	13,848	11,358
Sales & Service, Educational	129	659	(530)	-80.4%	2,192	2,253	2,129
Auxiliary Enterprises	-	-	-	-	-	-	-
Other Operating	90,794	87,347	3,447	3.9%	80,649	78,416	76,489
State appropriations	138	125	13	10.4%	704	890	
Other NonOperating	8,211	8,052	159	2.0%	7,757	7,010	5,166
Total Revenues	123,281	123,265	16	0.0%	116,407	107,621	99,843

Expenses	Budget FY2019	Projection FY2018	Variance		Actual FY2017	Actual FY2016	Actual FY2015
			\$	%			
Salaries & Fringe	61,399	56,341	5,058	9.0%	60,838	56,575	52,240
Non-personnel	51,371	56,174	(4,803)	-8.6%	34,936	35,026	36,812
Scholarships and fellowships		6	(6)	-100.0%	25	6	6
Depreciation	3,773	3,773	-	-	9,439	9,240	6,534
Interest	5,107	4,050	1,057	26.1%	3,700	3,897	1,747
Total Expenses	121,650	120,344	1,306	1.1%	108,938	104,744	97,339

President's Office: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
	91	324		415	394	384	
	Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary				
	91	324	-	415	394	384	
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	-	-	-	-	-	-	
Staff	91	324	-	415	394	384	
Executive / Administrative / Managerial	17	58	-	76	76	71	
Professional Non Faculty	60	220	-	280	258	252	
Secretarial / Clerical	8	28	-	36	34	37	
Technical / Paraprofessional	5	18	-	24	25	24	
Skilled Crafts	-	-	-	-	-	-	
Service / Maintenance	-	-	-	-	-	-	
Vacant / New	-	-	-	-	-	-	

(1) Snapshot for prior years is point in time data of filled positions and does not reflect budgeted vacancies.

President's Office: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	1.3%	2.4%	6.4%	0.7%	-1.5%
<i>Operating Margin (\$)</i>	1,631	2,920	7,470	702	(1,415)
Operating Cash Flow Margin (%)	8.9%	9.0%	18.2%	16.4%	13.6%
<i>Operating Cash Flow Margin (\$)</i>	10,993	11,105	21,256	17,916	14,034
Debt Service Burden (%)	5.8%	3.4%	3.4%	3.7%	3.1%
Annual Debt Service Coverage (x)	1.6	2.7	5.7	4.6	4.7
<i>Debt Service (P+I)</i>	7,032	4,050	3,700	3,897	2,997
Spendable Cash & Investments to Operating Expenses (x)	1.64	1.63	1.86	1.44	1.83

University: Revenue & Expenses

(\$ in Thousands)

Revenues	UNIVERSITY						
	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Gross Tuition & Fees	1,237,733	1,179,274	58,458	5.0%	1,136,540	1,070,841	987,384
Tuition Discounts	(328,164)	(309,588)	(18,575)	6.0%	(288,708)	(244,025)	(222,164)
Net Tuition & Fees	909,569	869,686	39,883	4.6%	847,832	826,816	765,220
Grants	560,862	558,839	2,023	0.4%	560,082	528,352	510,741
Sales & Service, Educational	27,230	27,206	24	0.1%	28,910	27,500	25,601
Auxiliary Enterprises	434,685	417,100	17,585	4.2%	400,822	383,281	362,193
Other Operating	234,955	225,694	9,261	4.1%	233,717	307,286	136,954
State appropriations	760,518	752,924	7,594	1.0%	720,817	669,748	621,200
Other NonOperating	186,568	183,788	2,780	1.5%	195,089	162,741	144,964
Independent Business Lines	294,013	277,769	16,244	5.8%	371,618	330,259	312,077
Total Revenues	3,408,400	3,313,007	95,393	2.9%	3,358,887	3,235,982	2,878,950

Expenses	UNIVERSITY						
	Budget	Projection	Variance		Actual	Actual	Actual
	FY2019	FY2018	\$	%	FY2017	FY2016	FY2015
Salaries & Fringe	1,962,973	1,916,478	46,495	2.4%	1,846,879	1,788,018	1,659,054
Non-personnel	942,706	912,390	30,317	3.3%	1,019,065	1,067,226	852,900
Scholarships and fellowships	54,639	53,086	1,553	2.9%	47,710	44,645	49,300
Depreciation	278,941	261,669	17,273	6.6%	249,669	240,864	221,043
Interest	124,659	117,833	6,826	5.8%	110,069	105,276	100,332
Total Expenses	3,363,919	3,261,455	102,464	3.1%	3,273,392	3,246,029	2,882,629

University: Enrollment

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
In State	40,657	39,744	39,224	39,143
Out of State	8,681	8,556	8,468	8,378
Undergraduate Total	49,338	48,299	47,693	47,522
% Growth	2.2%	1.3%	0.4%	
Graduate				
In State	4,416	4,448	4,290	4,287
Out of State	4,707	4,628	4,681	4,558
Graduate Total	9,123	9,076	8,971	8,844
% Growth	0.5%	1.2%	1.4%	
Continuing Ed				
In State	1,303	1,350	1,344	1,383
Out of State	798	811	915	872
Continuing Ed Total	2,102	2,160	2,259	2,255
% Growth	-2.7%	-4.4%	0.2%	
Online Only				
In State	3,004	2,883	2,849	2,581
Out of State	2,009	1,929	1,912	1,851
Online Only Total	5,013	4,812	4,761	4,433
% Growth	4.2%	1.1%	7.4%	
Law School				
In State	95	95	87	105
Out of State	89	89	69	63
Law School Total	184	184	156	168
% Growth	0.0%	17.4%	-6.8%	
Grand Total	65,760	64,531	63,839	63,221
% Growth	1.9%	1.1%	1.0%	

Students (FTEs)	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016
Undergraduate				
New	14,466	13,709	13,106	13,252
Continuing	34,872	34,590	34,588	34,270
Undergraduate Total	49,338	48,298	47,694	47,522
% Growth	2.2%	1.3%	0.4%	
Graduate				
New	3,242	3,209	3,095	3,098
Continuing	5,881	5,866	5,877	5,747
Graduate Total	9,123	9,075	8,972	8,844
% Growth	0.5%	1.2%	1.4%	
Continuing Ed				
New	798	885	974	953
Continuing	1,304	1,276	1,285	1,303
Continuing Ed Total	2,102	2,161	2,259	2,255
% Growth	-2.7%	-4.4%	0.1%	
Online Only				
New	1,672	1,521	1,405	1,275
Continuing	3,341	3,293	3,355	3,157
Online Only Total	5,013	4,814	4,760	4,432
% Growth	4.1%	1.1%	7.4%	
Law School				
New	77	77	60	61
Continuing	107	107	97	107
Law School Total	184	184	156	168
% Growth	0.0%	17.4%	-6.8%	
Grand Total	65,759	64,532	63,840	63,222
% Growth	1.9%	1.1%	1.0%	

University: Faculty & Staff

FY19 Employee FTE Report					FY19 Budget	FY18 (Q3 Snapshot)	FY17 (Q3 Snapshot)
FUNDING SOURCE						(1)	(1)
	Restricted	Unrestricted		Totals	Totals	Totals	
		Grants / Gifts / Endowments	General Operations	Independent Business / Auxiliary			
	1,959		13,048		15,311	14,618	14,435
	1,959		10,418	2,630	15,311	14,618	14,435
FUNCTIONAL EMPLOYEE CATEGORIES							
Faculty	320		3,866	13	4,200	3,945	3,837
Staff	1,639		6,552	2,616	11,111	10,673	10,598
Executive / Administrative / Managerial	24		469	85	577	574	576
Professional Non Faculty	1,333		3,618	1,084	6,035	5,968	5,756
Secretarial / Clerical	72		1,113	299	1,484	1,490	1,504
Technical / Paraprofessional	200		599	222	1,021	1,004	948
Skilled Crafts	-		260	184	444	437	433
Service / Maintenance	10		494	744	1,247	1,191	1,167

University: Key Ratios

Key Ratios	Budget FY2019	Projection FY2018	Actual FY2017	Actual FY2016	Actual FY2015
Operating Margin (%)	1.1%	1.3%	1.6%	0.2%	0.1%
<i>Operating Margin (\$)</i>	<i>37,328</i>	<i>42,404</i>	<i>52,944</i>	<i>6,551</i>	<i>2,542</i>
Operating Cash Flow Margin (%)	13.1%	12.6%	13.6%	12.0%	11.0%
<i>Operating Cash Flow Margin (\$)</i>	<i>438,146</i>	<i>418,036</i>	<i>446,529</i>	<i>351,857</i>	<i>337,130</i>
Debt Service Burden (%)	6.8%	6.6%	6.5%	6.1%	6.6%
Annual Debt Service Coverage (x)	1.9	1.9	2.1	1.9	1.6
Debt Service (P+I)	230,170	216,790	212,389	198,763	191,411
Spendable Cash & Investments to Operating Expenses (x)	0.38	0.38	0.39	0.35	0.43
FTE Enrollment	65,760	64,532	63,840	63,222	62,302



BOARD OF TRUSTEES – REQUESTS FOR BOARD ACTION

UNIVERSITY OF MASSACHUSETTS BOARD OF TRUSTEES

COMMITTEE: Administration and Finance

ACTION ITEM #2: FY2019 University Operating Budget

DATE: July 13, 2018

DOC. & VOTE I.D. #: T18-044

FOR VOTE: To recommend that the Board take the following action:

To approve the University's Fiscal Year 2019 Operating Budget and to authorize the President to approve changes, as needed, based on the final General Appropriations Act for Fiscal Year 2019 and any changes made to it during the fiscal year.

UNIVERSITY OF MASSACHUSETTS BOARD OF TRUSTEES

COMMITTEE: **Administration and Finance**

ACTION ITEM #3: **Academic Year 2018-19 Tuition & Fees**

DATE: **July 13, 2018**

DOC. & VOTE I.D. #: **T18-045**

FOR VOTE: To recommend that the Board take the following action:

1. In accordance with Section 1A of Chapter 75 of the General Laws, and Policy T92-031, Appendix E, as amended to authorize the President to set the individual Tuition and Mandatory Fee (Technology Fee and Student Activity Fee) rates for the Amherst, Boston, Dartmouth, and Lowell campuses. The Tuition and Mandatory Fees at each campus is as outlined below for the academic year 2018-2019:

<u>Tuition & Mandatory Fees</u>	<u>Amherst</u>	<u>Boston</u>	<u>Dartmouth</u>	<u>Lowell</u>
Undergraduate (in-state)	\$15,887	\$14,167	\$13,921	\$15,180
Undergraduate (regional)	\$27,633	\$26,779	\$18,853	\$26,441
Undergraduate (out-of-state)	\$34,570	\$33,966	\$29,141	\$32,827
Graduate (in-state)	\$16,524	\$18,251	\$16,337	\$15,060
Graduate (regional)	\$28,308	\$29,414	\$20,702	\$22,871
Graduate (out-of-state)	\$33,625	\$35,287	\$29,141	\$26,840
Graduate Law School (in-state)			\$28,251	
Graduate Law School (regional)			\$30,121	
Graduate Law School (out-of-state)			\$36,900	

2. And further, in accordance with Section 1A of Chapter 75 of the General Laws and T92-031 Appendix E, to authorize the President to approve final student housing rent and food service charges for academic year 2018-2019.

<u>Room and Board</u>	<u>Amherst</u>	<u>Boston*</u>	<u>Dartmouth</u>	<u>Lowell</u>
	\$12,626	\$5,390	\$13,299	\$12,748

*Dining only

3. And further, to authorize the President to approve individual fee rates for other fees and fee/revenue based operations charges as needed during the academic year 2018-19.

BACKGROUND STATEMENT

UNDERGRADUATE STUDENT CHARGES:

“In-State” Undergraduate Tuition & Mandatory Fees: This vote authorizes an increase based upon the needs of the campuses combined with an assumed conference budget state appropriation along with other revenues and cost cutting measures to produce an FY19 University Operating Budget that is balanced. To make up the difference driven by costs specified in the Operating Budget (collective bargaining, fringe, financial aid, and capital), each campus will implement a 2.5% increase to Tuition for in-state undergraduate students outlined below. There were no changes to the mandatory Technology Fee. Each campus increased the Student Activity Fee in support of student driven and supported initiatives.

Undergraduate Tuition: In State				
	FY18	FY19	\$ Change	% Change
Amherst	\$15,030	\$15,406	\$376	2.5%
Boston	\$13,503	\$13,841	\$338	2.5%
Dartmouth	\$13,166	\$13,496	\$329	2.5%
Lowell	\$14,350	\$14,710	\$360	2.5%

Undergraduate: Mandatory Fees				
	FY18	FY19	\$ Change	% Change
Amherst	\$381	\$481	\$100	26.2%
Boston	\$325	\$326	\$1	0.3%
Dartmouth	\$405	\$425	\$20	4.9%
Lowell	\$450	\$470	\$20	4.4%

Out of State Undergraduate Tuition & Mandatory Fees: Consistent with the statutory requirement that out-of-state students pay 100% of the cost of education, the proposed rates approximate full cost. In addition, market and competitiveness considerations also inform rate recommendations for out-of-state students.

Undergraduate Tuition: Out of State				
	FY18	FY19	\$ Change	% Change
Amherst	\$33,096	\$34,089	\$993	3.0%
Boston	\$32,660	\$33,640	\$980	3.0%
Dartmouth	\$27,880	\$28,716	\$836	3.0%
Lowell	\$31,415	\$32,357	\$942	3.0%

Undergraduate: Mandatory Fees

	FY18	FY19	\$ Change	% Change
Amherst	\$381	\$481	\$100	26.2%
Boston	\$325	\$326	\$1	0.3%
Dartmouth	\$405	\$425	\$20	4.9%
Lowell	\$450	\$470	\$20	4.4%

STUDENT HOUSING RENT AND FOOD SERVICE CHARGES (ROOM & BOARD):

The increased rates outlined below are necessary to support the auxiliary dormitory and dining service operations of our residential campuses and will support annualized collective bargaining wage increases, projected energy and utility cost increases and necessary facility improvements. These are non-mandatory fees for services. The table below displays the actual FY18 rates and the proposed FY19 rates for a standard shared room and basic meal plan. Students have the option to select rooms with additional amenities and/or more extensive meal plans at higher rates. Note that for Boston, room rates set by the P3 Operating Board and are not subject to Board approval; Dining rates set by the University and approved by University Board.

Room & Board

	FY18	FY19	\$Change	% Change
Amherst	\$12,258	\$12,626	\$368	3.0%
Dartmouth	\$12,753	\$13,299	\$546	4.3%
Lowell	\$12,495	\$12,748	\$253	2.0%

	FY18	FY19
Boston - Room		\$9,468
Boston - Dining		\$5,390

TOTAL IN-STATE UNDERGRADUATE RATES WITH ROOM AND BOARD:

The following table summarizes the change in the Tuition, Mandatory Fees, and Room and Board totals for in-state undergraduate students:

Tuition, Mandatory Fees, Room & Board: In State

	FY18	FY19	\$ Change	% Change
Amherst	\$27,669	\$28,513	\$844	3.1%
Boston	\$13,828	\$29,025	N/A	N/A
Dartmouth	\$26,324	\$27,220	\$895	3.4%
Lowell	\$27,295	\$27,928	\$633	2.3%
Average ⁺	\$27,096	\$27,887	\$791	2.9%

+Not weighted; Boston rates not included in average

GRADUATE STUDENT CHARGES:

Graduate Tuition & Mandatory Fees: The FY18 to FY19 proposed increases in Tuition and Mandatory Fees for both in-state and out-of-state graduate students are listed in the tables below. Market and competitiveness considerations are factors that inform rate recommendations for graduate students.

Graduate Tuition: In State

	FY18	FY19	\$ Change	% Change
Amherst	\$13,930	\$14,348	\$418	3.0%
Boston	\$17,375	\$17,896	\$521	3.0%
Dartmouth	\$15,449	\$15,912	\$463	3.0%
Lowell	\$14,590	\$14,590	\$0	0.0%

Graduate Tuition: Out of State

	FY18	FY19	\$ Change	% Change
Amherst	\$30,533	\$31,449	\$916	3.0%
Boston	\$33,915	\$34,932	\$1,017	3.0%
Dartmouth	\$27,880	\$28,716	\$836	3.0%
Lowell	\$26,370	\$26,370	\$0	0.0%

Mandatory Fees: Graduate

	FY18	FY19	\$ Change	% Change
Amherst	\$2,157	\$2,176	\$19	0.9%
Boston	\$355	\$355	\$0	0.0%
Dartmouth	\$405	\$425	\$20	4.9%
Lowell	\$450	\$470	\$20	4.4%

UNIVERSITY OF MASSACHUSETTS BOARD OF TRUSTEES

COMMITTEE: Administration and Finance

ACTION ITEM #4: Authorization to Allocate the Fiscal Year 2019 State
Appropriation

DATE: July 13, 2018

DOC. & VOTE I.D. #: T18-046

FOR VOTE: To recommend that the Board take the following action:

To direct the President to allocate the amount appropriated for the University of Massachusetts in Line Item 7100-0200 of the General Appropriation Act for Fiscal Year 2019 to the campuses.



BOARD OF TRUSTEES - POLICIES

**POLICY ON THE APPROVAL PROCESS FOR TUITION, FEES AND
OTHER CHARGES RELATED TO TRUST FUNDS**

PURPOSE

The *Policy on the Approval Process for Tuition, Fees and other Charges Related to Trust Funds* establishes the authority for the approval of tuition & mandatory fees, other student fees including optional and one-time fees, auxiliary and revenue based fees and charges, and administrative charges including sales and services.

I. INTRODUCTION

This policy implements authority of the Board of Trustees under Chapter 75, Sections I A, I B, and 11 as amended and Chapter 15A, Section 9i as amended by Chapter 46 of the Acts of 2015 which allowed for full tuition retention for the University of Massachusetts.

II. POLICY STATEMENT

REPORTING

The President shall annually review and publish schedules detailing tuition & mandatory fees other student fees including optional and one-time fees, and auxiliary and revenue based fees and charges. The schedule of administrative charges including sales and services will be published annually and updated biennially.

DEFINITIONS AND APPROVAL AUTHORITY

Tuition and Mandatory student charges – include tuition and required fees charged to the typical full-time student for a full academic year. Required charges include all charges which are collected from such a large proportion of all students that the student who does not pay the charge is an exception. They do not include any charges that are clearly optional or one-time (see below). Examples of mandatory student charges include but are not limited to: tuition, student activity fee and the technology fee. With the exception of tuition, these charges are typically the primary revenue source for the student fee based operations/trust funds. The Board of Trustees must act upon the tuition and the mandatory student charges annually and approve the establishment of new mandatory student charges.

Student Fees for Revenue Based Operations Charges – These charges are the principal charges for major auxiliary enterprise operations or major campus services funded by student fees or auxiliary revenues. Major auxiliary enterprises are services external, but contributing to, the basic academic mission of the University such as: boarding and residence halls, and corporate and continuing education. The charges are typically non-mandatory or optional. Major campus services are services provided by the campus to major campus constituencies (example: Parking and Transportation). The Board of Trustees approves the establishment of major student fee/revenue based operations charges. The Board of Trustees may delegate fee approval authority to the President.

Non-mandatory student fees – include optional or one-time fees or surcharges charged to students for specific services, or special academic program offerings and activities not required of the majority of students each year. Examples of non-mandatory student fees include but are not limited to: laboratory fees, international student exchange program fees, special academic program fees, identification card replacement fees. This group of charges also includes "pass through" or "agency" fees for contracted services such as accident insurance and supplemental health insurance. The President approves non-mandatory student fee rates and the establishment of new non-mandatory fees. A schedule of all non-mandatory student fees shall be reported to the Board of Trustees annually.

Administrative Charges Including Sales and Services – These charges are for the sale or use of goods or services that are incidental to the conduct of instruction, research or public service or for administrative services. Examples include but are not limited to: film rentals, sales of scientific and literary publications, testing services, fees for the use of scientific equipment or laboratories, university presses, copy center charges, workshops and conference charges, data processing services, application or late payment fees, etc. The authority to establish and set sales and service and administrative charges is delegated to the Chancellor. A schedule listing all major sales and service charges shall be reported to the President annually.

**UNIVERSITY OF MASSACHUSETTS
POLICY FOR MANAGEMENT OF UNIVERSITY FUNDS**

1. PURPOSE

The University of Massachusetts *Policy for Management of University Funds* describes procedures to establish and administer all funds as authorized by Section 11 of Chapter 75 of the Massachusetts General Laws, as amended.

2. APPLICABILITY

This policy applies to all campuses and components of the University of Massachusetts and shall include any and all financial resources allocated, negotiated, earned or collected by the University to further the missions of research, teaching and public service including those funds appropriated by the Commonwealth of Massachusetts.

3. EXPENDITURE AUTHORITY

The Board of Trustees delegates to the President, each Chancellor, the Senior Vice President for Administration, Finance, and Technology and Treasurer, the Vice Chancellors for Administration and Finance, the Controllers and their designees, the authority to authorize payments on the University systems on behalf of the University. Any such payments must be consistent with the policies and procedures of the University and adhere to reasonable and prudent business principals.

4. EXPENDITURE OF FUNDS

All funds, regardless of the source or the manner in which they are acquired, are considered to be University Funds. The interpretation of this policy as well as the expenditure of these funds are based solely on reasonable and prudent actions by University employees expending public funds. All University employees should exercise their fiduciary responsibility in a manner consistent with the confidence and trust granted to them by the Board of Trustees in disbursement of these funds.

The President and Chancellors are responsible for the overall fiscal integrity of the University. The Vice Chancellors for Administration and Finance and the Senior Vice President for Administration, Finance, and Technology and Treasurer are operationally responsible for all transactions affecting both the Financial Records System and the fiscal status of the University.

Fund expenditures must meet the following minimum guidelines and criteria. These criteria represent the minimum acceptable standards, and campus guidelines may be more, but not less, restrictive.

- a. Expenditures must relate to and support the purpose for which the fund was established. Expenditures must be consistent with the statement of purpose for that fund.
- b. Expenditures from any fund must be used to promote the educational, research or public service mission of the University.
- c. University employees may not expend funds for personal gain.
- d. Any expenditure for supplies, printing, equipment, or any other real property shall conform to the *University Purchasing Policy* (Document T92-031, Appendix A).
- e. All expenditures for employee travel must conform to the *University of Massachusetts Travel Policy* (Document T92-031, Appendix B).
- f. Any expenditure related to compensation, benefits or perquisites for the President or Campus Chancellors must comply with the *Executive Compensation Policy for University President and Campus Chancellors* (Doc. T93-062).
- g. Expenditures for political contributions are prohibited.
- h. Expenditures for business expense activities are subject to the *University Business Expense Policy*, (Document T92-031, Appendix C).
- i. Personal gifts showing gratitude to another employee may not be purchased with University funds.
- j. Awards or gifts given to University employees in recognition of distinguished or meritorious service to the institution must have prior approval from the campus Vice Chancellor for Administration and Finance or designee.
- k. Funds may not be expended for personal violations or fines.
- l. Contributions and gifts given to external organizations by the University must be approved by the Chancellor, Vice Chancellor or designee. Written approval must accompany any documentation for any such expenditures.

5. IMPLEMENTATION

The University of Massachusetts Board of Trustees recognizes that each campus is unique. Faculty, staff, and students, based upon experience and campus mission, are encouraged to conduct research, education and public service activities in a manner consistent with the campus academic and institutional objectives. Implementation of this policy shall not impede the progress of campus objectives.

The President, in consultation with the Vice President(s) and Chancellors, will issue administrative directives and procedures to implement this policy. In addition, where specified within this policy, each campus may develop its own internal guidelines for implementation of this policy. The guidelines must be submitted by the Campus Chancellor to the President or his designee for approval. Campus guidelines may be no less restrictive than directives in this document.

6. BUDGETING FOR UNIVERSITY FUNDS

An annual operating budget for the University is prepared and approved by the Board of Trustees each fiscal year. The operating budget presents projected revenue and expenditures for all five campuses as well as the President's Office and Institute for Governmental Services.

The University Senior Vice President for Administration, Finance, and Technology and Treasurer has primary responsibility for planning and coordinating the annual budget process. Schedules, standards, guidelines, formats and budget parameters are promulgated through the Senior Vice President for Administration, Finance, and Technology and Treasurer.

7. RECORDS

The official financial records of the University are maintained in the University's Financial Records System (FRS). Supplemental financial records may also be retained, but must be consistent with and reconcile to the official information maintained in the Financial Records System. All data used to generate internal or external financial information must reconcile to the Financial Records System.

8. REPORTING

The University Controller is responsible for the fiscal integrity of the Financial Records System. The University Controller will issue guidelines for the categorization of funds to ensure that reporting will comply with the National Association of College & University Business Officers (NACUBO) classification and American Institute of Certified Public Accountants (AICPA) and FASB/GASB guidelines. Each campus will submit as requested to the University Controller a periodic report defining the campus' categorizations for each segment of its chart of accounts. There will be annually audited financial statements for the University. The Senior Vice President for Administration, Finance, and Technology and Treasurer or his designee will issue procedures and guidelines for the University Financial Report. All University-wide financial reports will be reviewed by the Senior Vice President for Administration, Finance, and Technology and Treasurer. Campus financial reports must be reviewed by the Campus Vice Chancellor for Administration and Finance, Campus Financial Officer, or designee. All external reporting must reconcile to the Financial Records System.

9. AUDITS

Audits of all University funds covered in this policy will be subject to the process established by the Trustees' *Audit Protocols* (Doc. T92-062).

10. INTERNAL CONTROLS

Internal controls are designed to safeguard assets, verify the accuracy and reliability of accounting data, and promote operational efficiency. The University Controller is responsible for the promulgation of internal control policies and procedures. Each campus shall develop and document internal controls consistent with generally accepted accounting principles. University Auditing shall periodically make recommendations, review department activities and internal controls.

11. CASH MANAGEMENT AND INVESTMENT POLICY

The University Treasurer is responsible for the investment of University funds as described in the *Investment Policy and Guidelines Statement*. (Trustee Document T92-031, Appendix F).

12. TRUST FUND INTEREST

The Board of Trustees of the University of Massachusetts collects funds which are deposited and invested by the University Treasurer. Annually on June 30 one percent (1%) of the average book value of the quasi-endowment will be set aside from the Trust Fund interest earnings for use by the President of the University for development efforts. All remaining investment income generated from all University funds net of the expenses associated with cash management operations, will be returned to the campus from which it was generated. To insure the long-term financial viability of the University, funds will be invested according to the *Investment Policy and Guidelines Statement*. (Appendix F). These funds are allocated in accordance with the annual budget process (Section 6).

These funds are subject to all institutional guidelines of this policy.

13. LOANS BETWEEN FUNDS

Short-term, inter-or-intra-campus loans exclusive of reimbursable grants, contracts, and cooperative agreements may be made between funds when necessary. Loans shall require approval of the Board of Trustees, upon recommendation by the President, when they exceed \$20,000, when the repayment schedule exceeds five years, or when a loan involves more than one campus. No loan of any amount or any duration shall be made without the written approval of the Chancellor. A rate of interest equivalent to 50 basis points more than the comparable United States Treasury instrument as determined by the University Treasurer will be applied to these loans. Interest payments shall be returned to the fund that provided the loan. Each loan shall be accompanied by a loan agreement, which must be approved by the Chancellor or Board of Trustees, as appropriate. Any loan to an external organization shall be approved by the Board of Trustees. All loans will be recorded in FRS.

Funding for reimbursable grants, contracts, and cooperative agreements are covered under other University policy guidelines.

14. TRANSFERS BETWEEN FUND TYPES

Transfers allow for the re-allocation of monies between and among funds. There are two types of transfers: mandatory and non-mandatory. Mandatory transfers are required by law and are used for items such as debt service. Non-mandatory transfers occur between fund groups and are so designated in the financial statement. Certain non-mandatory transfers are direct subsidizations and must be approved by the appropriate Vice Chancellor for Administration and Finance or Campus Fiscal Officer and reported annually during the budget process. Any funds used for direct subsidization must be for specific uses that are substantially related to the statement of purpose of the operation making the transfer.

15. RESERVES

Reserves are critical to operational planning. Reserves may be either dedicated (available for a specific future use) or temporary (available for short-term operating needs). Activities may establish reserves to cover facility and equipment repair as related to the fund operation. Dedicated

reserves for repair of plant and equipment should not be transferred back to current operations. The appropriate Vice Chancellor and the Vice Chancellor for Administration and Finance or appropriate Fiscal Officer must approve the process for establishing and funding reserves.

16. PERSONNEL POLICIES

All personnel policies established by the Board of Trustees and all relevant state laws shall be applied as appropriate to employees of University funded activities.

17. REVENUE-BASED OPERATIONS

Revenue-based operations are a major subset of University funds. The University of Massachusetts Board of Trustees has the authority under Massachusetts General Laws Chapter 75, as amended, to establish, administer, and manage revenue-based funds for self-amortizing projects and self-supporting activities. Under that authority many activities have been established that are actually revenue-based operations essential to supporting a large portion of the institution's activities. This section describes the procedures to establish and manage these revenue-based operations.

a) Establishment of Revenue-Based Operations

Any request to establish a new revenue-based operation or to substantially change the purpose or name of an existing revenue-based operation must be presented to the Board of Trustees for approval as a specific item. Normally, this will take place during the annual budget process. All requests made by the campus must be submitted by recommendation of the Chancellor to the President. The President will certify to the Board of Trustees that the request has received appropriate financial and legal review and that it adheres to existing Board of Trustee policy and state law.

New cost centers may be established within existing multi-function revenue-based operations upon approval of the Campus Controller and/or Budget Office (off-cycle) if the activity is consistent with the statement of trust/purpose. This process requires a budget revision which must be approved by the Campus Budget Office as well as the appropriate campus fiscal officer. All cost centers established off-cycle must be specifically listed in the next program statement revision for approval by the Board of Trustees. Revenue-based operations must comply with the parameters as required by federal tax law.

To consolidate and reduce the number of revenue-based operations that are considered separate Board of Trustees approved operations, no revenue-based operations should be established where anticipated annual expenditures are less than \$100,000. This parameter serves as a guideline. A campus may justify exceptions during the annual budget approval process. Each revenue-based operation must be assigned to a major campus budgetary organizational unit.

b) Budgeting for Revenue-Based Operations

Annual budgets are developed and reviewed to assist management in the effective allocation of resources and to provide others with an understanding of the operations of the University. Each campus will follow an annual budget cycle as described in Section 6, Budgeting for University Funds.

c) Modified Indirect Overhead Cost

Revenue-based activities increase the operational cost of certain administrative units. Therefore, non-state funded operations shall be assessed a charge which will reflect either: 1) an allocable share of the operational costs of support services and administrative activities or 2) the actual cost of such services and activities.

Identifiable costs may be determined and assessed by individual campuses.

Each campus will develop and file with the Senior Vice President for Administration, Finance, and Technology and Treasurer a cost methodology every two years, noting any exceptions for review. This rate must be based on actual costs recorded in the Financial Records System. The modified indirect overhead cost rate will be assessed in whole or in part to all revenue-based operations.

d) Reporting on Revenue-Based Operations

The Senior Vice President for Administration, Finance, and Technology and Treasurer will establish an annual year-end review process of all revenue-based operations. This will be done in addition to the regular, on-going review of all funds conducted by the campus Budget Directors, Controllers and Vice Chancellors. This review will consist of an examination of the previous fiscal year's income and expenses, in addition to a comparison of budget versus actual figures. Any operating deficits must be reported to the President's Office with a specific plan for correction that will be implemented during the next six months. Any surplus operating funds in excess of 25% of the previous year's expenditures that are not designated as reserves must be calculated and incorporated into the current year's budget plans.

18. EXCEPTIONS TO THIS POLICY

The Hospital and Group Practice Plan at the University of Massachusetts Medical Center have certain unique features. While this policy applies to these operations, the following exceptions should be noted:

a) Definition

The Hospital and Group Practice Plan use a separate general ledger sub-system that reconciles to the Financial Records Systems but contains categories and attributes unique to their health care operations.

b) Reporting

The Hospital and Group Practice Plan use reporting guidelines developed by their respective national organizations.

c) Personnel Policies

The Group Practice Plan follows specific personnel policies outlined in Chapter 733 of the Acts of 1974, the state law that established the Plan.