



FY 2020 Budget

THE THINKER
BY AUGUSTE RODIN
A GIFT TO THE PEOPLE
OF LOUISVILLE BY THE

June 20, 2019

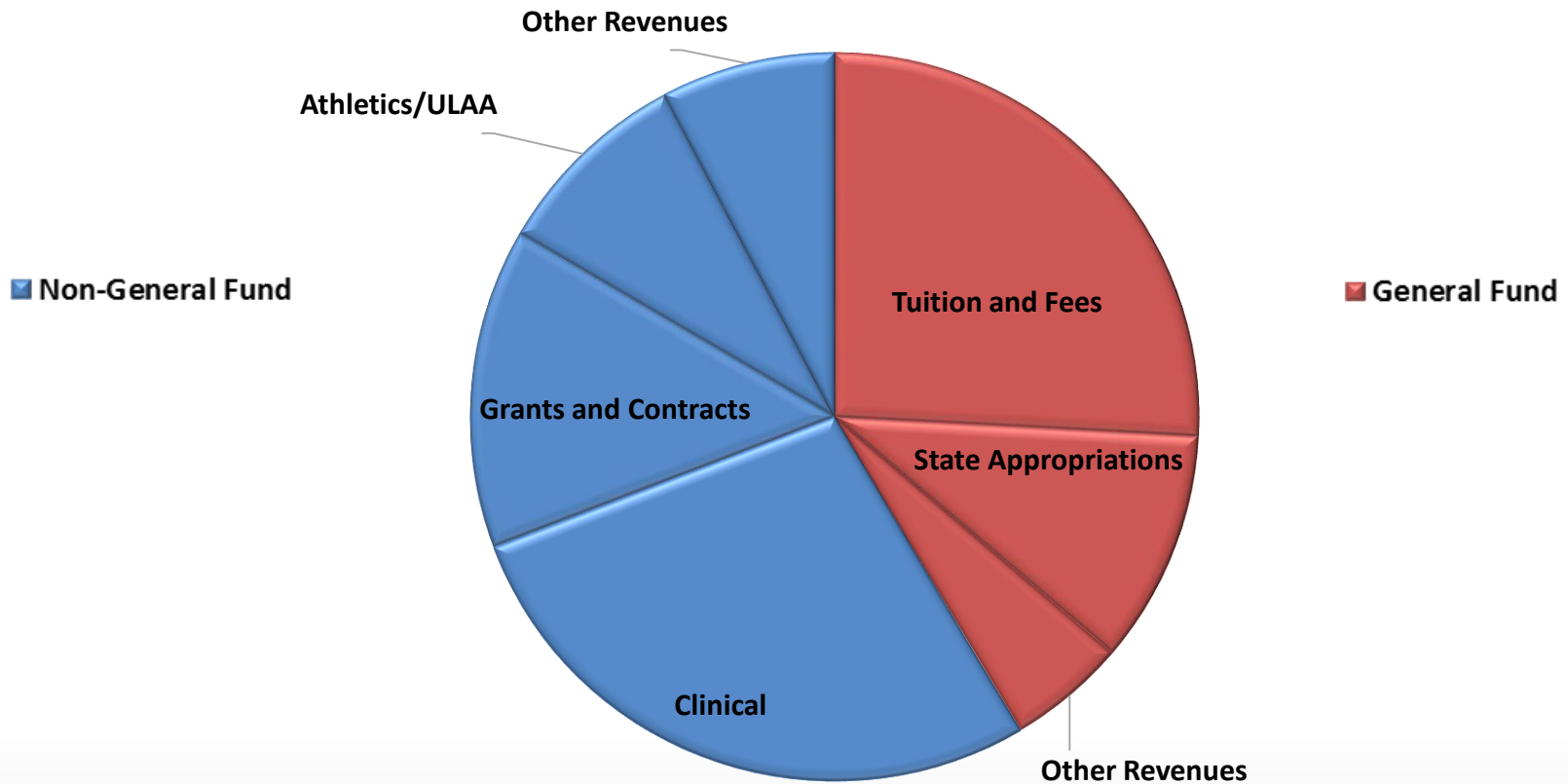
Today's Objective

Request formal approval of FY 2019-20 budget

FY 2020 Budget Objectives

- **Provide stable and predictable financial base to operate from**
- **Serve as bridge to upcoming Strategic Plan outcomes and decisions**
- **Fund only inflationary and critical needs until Strategic Plan completion**

What Are We Budgeting?



* Other revenues include UMC support, gifts, endowments, auxiliaries

FY 2020 Budget

Expense-Based Changes for FY 2020

Total: \$23.8 million

(in millions)

Inflationary Items Utilities; employer health insurance; bi-weekly pay	\$2.2
Academic Unit Commitments Deans' Commitments and Unit Online Spending Increases	\$5.8
Employee Salary Increase 2% effective on January 1, 2020	\$2.6
Compliance and Infrastructure IT support, library materials, risk management, Institutional Research	\$2.0
Student Aid and Enrollment Additional institutional aid and Enrollment Management support	\$1.3
FY 2020 Impact of Prior Year Expenses Funded by One Time Sources Originally \$20 million; addressed via expenditure control & revenues	\$8.9
Mandatory Fees Student Activity: \$176k; Student Services: \$400k; Student Activities Center: \$400k	\$1.0

Sources to Meet Expense Changes

(in millions)

- **New state performance funding:** **\$ 0.5**
 - **Internal savings & revenue:** **\$ 8.4**
 - **New unrestricted gifts:** **\$ 5.7**
 - **Tuition and mandatory fee increases:** **\$ 9.2**
- Total \$23.8**

Tuition and Fee Changes

General Tuition and Fee Change Recommendations

- Recommended rate changes from Tuition Task Force appointed by Provost
 - Membership included students, faculty, staff, and administrators
 - Approved 2.5% general tuition increase for all degree types, including mandatory fees

	Resident		Non-resident	
	Proposed Rate	Annual Change	Proposed Rate	Annual Change
Undergraduate	2.4%*	\$272	2.5%	\$676
Graduate	2.5%	\$316	2.5%	\$660
Law	2.5%	\$546	2.5%	\$1,020
Dentistry	2.5%	\$840	2.5%	\$1,754
Medicine	2.5%	\$994	2.5%	\$1,510

* CPE mandated tuition cap equal to 6% increase over two years.

- As requested by SGA, includes mandatory fee increases for:
 - Student Activity Fee:** +\$4 per semester to fund events and on-campus activities
 - Student Services Fee:** +\$10 per semester for additional student counseling positions and services
 - Student Activities Center:** +\$10 per semester to improve access and services for student groups

General Tuition and Fee Change Recommendations

- **Online Tuition Rates**
 - Resident and nonresident students pay the same rates
 - No increase in online rates in previous four years
 - \$489 per credit hour base rate, \$8 lower than FY 2019
 - Add new \$50 per credit hour surcharge
 - Net increase of \$42 per credit hour
 - 8.5% increase for undergraduate students
 - 7.0% increase for graduate students
- **University of Kentucky proposing \$100 per credit hour surcharge on online courses; rate increasing to \$601**
- **Other proposed fee changes: see addendum in board packet**

Tuition Revenue Forecast

Campus-wide Effort

- **Enrollment Management**
 - Local and regional student demographic trends
 - Application, admit, and enrollment data
 - Student retention and graduation rates
 - Regional recruiting impacts
- **Delphi Center and academic units**
 - Number of new online courses and sessions
 - New academic programs
 - Professional school enrollment
- **Institutional Research**
 - Student level data for patterns and trends

Multiple Data Inputs

- **Review current and projected enrollment**
 - What are current enrollment patterns? Is fall enrollment expected to change in total? By degree type? Residency? First-time, full-time? Number of transfers?
- **Analyze multi-year student level data**
 - Are students taking more or less credit hours per term? Are they taking more online courses? Is spring “melt” changing? Are summer credit hours increasing?
- **Consider tuition rates**
 - Will tuition rates change? Mandatory fees?
- **Calculate tuition revenues**

Making It Happen

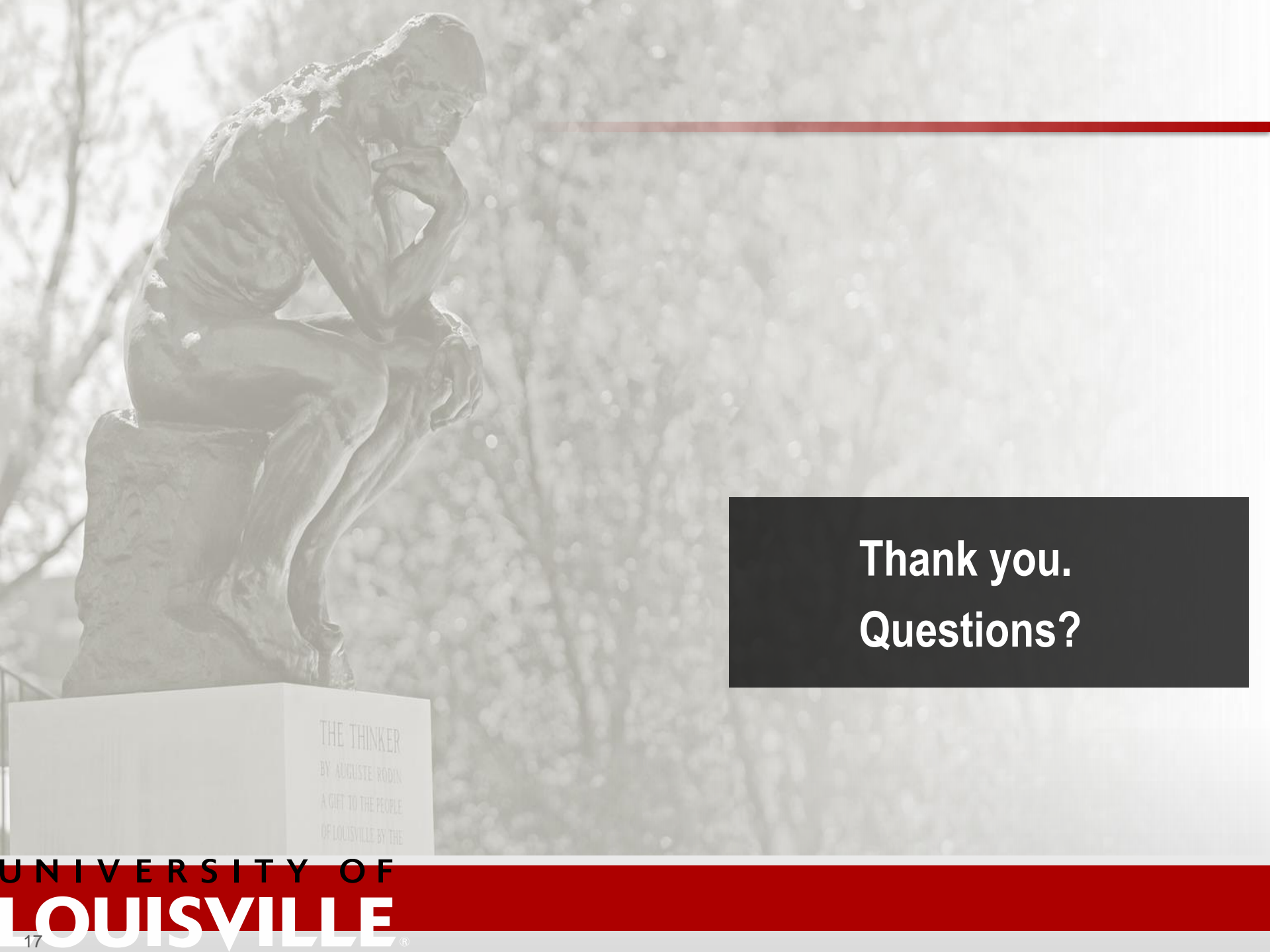
- **Multi-faceted enrollment efforts**
 - Coordinated effort by Enrollment Management
 - Contacting undergraduate students who have not graduated and have not registered for fall classes
 - Targeted mailing and phone calls to new admitted students who have not registered for fall classes
 - Targeted online media campaigns
 - Reviewing small dollar financial holds on student accounts
 - Advisors reviewing student rosters

FY 2020 Proposed Budget

FY 2020 Proposed Operating Budget

(Non-accrual)

	General Funds	UL Research Foundation	Athletics	Foundation	Other Dept. Funds	All Funds
Revenues						
Tuition and Fees	326,958,382					326,958,382
Clinical		311,950,766				311,950,766
Sponsored Agreements		130,500,000				130,500,000
State Funds	126,633,700					126,633,700
Pass Through Financial Aid		43,400,000				43,400,000
Transfers to General Fund	23,655,527					23,655,527
Auxiliaries	12,528,885					12,528,885
Hospital Affiliation	9,237,209	22,769,831				32,007,040
Other Revenue	16,311,627		117,714,000	53,246,000	36,435,770	223,707,397
Total Revenues	515,325,330	508,620,597	117,714,000	53,246,000	36,435,770	1,231,341,697
Expenditures						
Salary	259,675,400	243,539,010	39,576,000	21,242,231	11,221,592	575,254,234
Fringe Benefits	71,734,748	56,912,825	7,346,000	5,643,066	3,083,638	144,720,277
Operating	73,858,954	148,907,538	41,121,000	16,842,862	20,938,018	301,668,371
Scholarships	64,149,803	44,331,703	16,168,000	9,511,241	1,191,462	135,352,209
Capital Asset Debt	25,706,779	0	3,913,562	0	0	29,620,341
Transfers to General Fund	0	14,866,089	8,789,438	0	0	23,655,527
Utilities	20,199,646	63,432	800,000	6,600	1,060	21,070,738
Total Expenditures	515,325,330	508,620,597	117,714,000	53,246,000	36,435,770	1,231,341,697
Surplus/(Deficit)	0	0	0	0	0	0



Thank you.
Questions?

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