

New Jersey Institute of Technology

FY2006 Operating Budget

Presented in draft form
at

Campus Budget Hearing July 18, 2005

Adopted by NJIT Board of Trustees July 21, 2005

New Jersey Institute of Technology

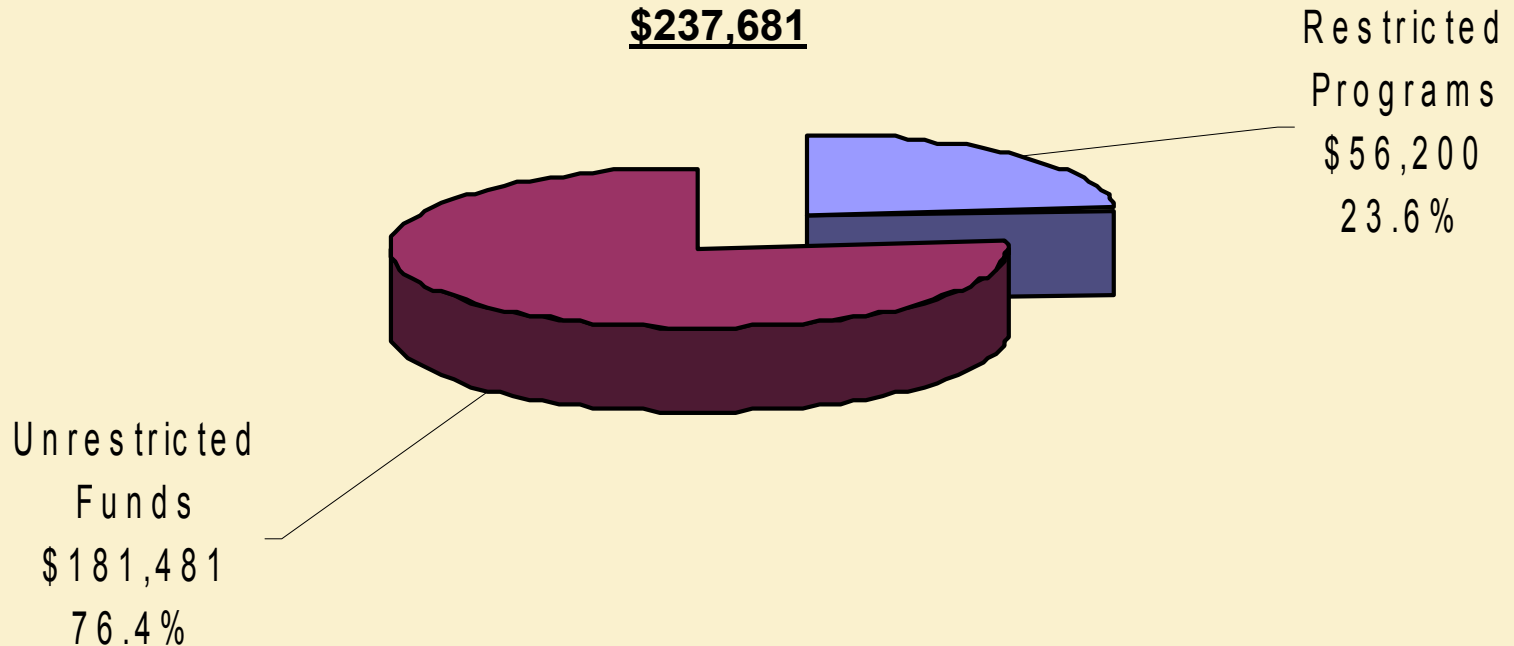
FY 2006 Proposed Operating Budget

Restricted	\$56,200
Unrestricted	\$181,481
Total	\$237,681

Sources of Funds - Summary

(\$000's)

\$237,681



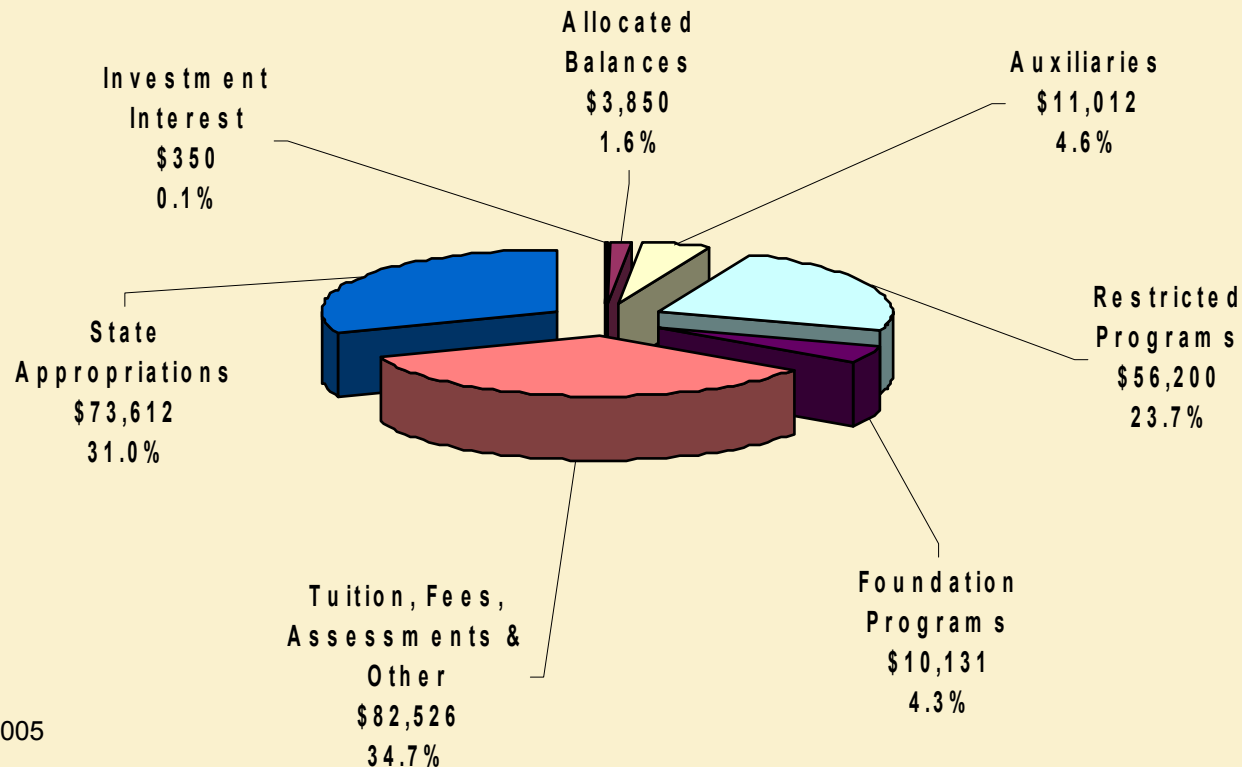
New Jersey Institute of Technology

FY 2006 Proposed Operating Budget

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Sources of All Funds – Major Components (\$000's)

\$237,681

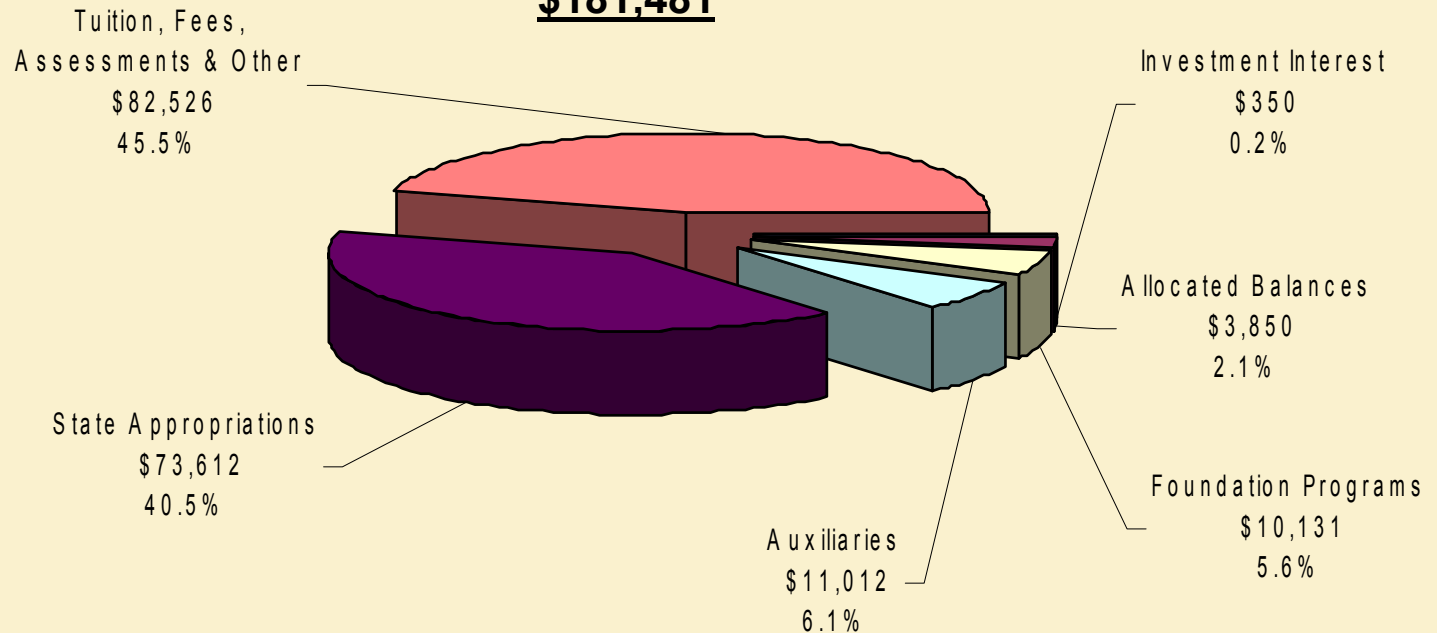


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Unrestricted Budget – Sources of Funds (\$000's)

\$181,481

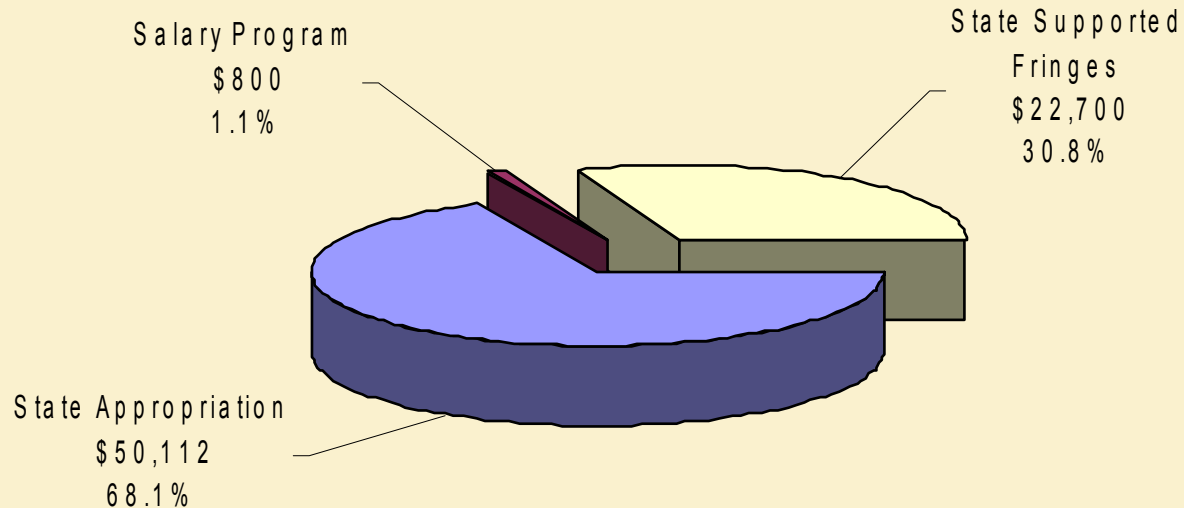


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

Restricted	\$56,200
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Total	\$237,681

Unrestricted Budget – Sources of State Funds (\$000's)

\$73,612



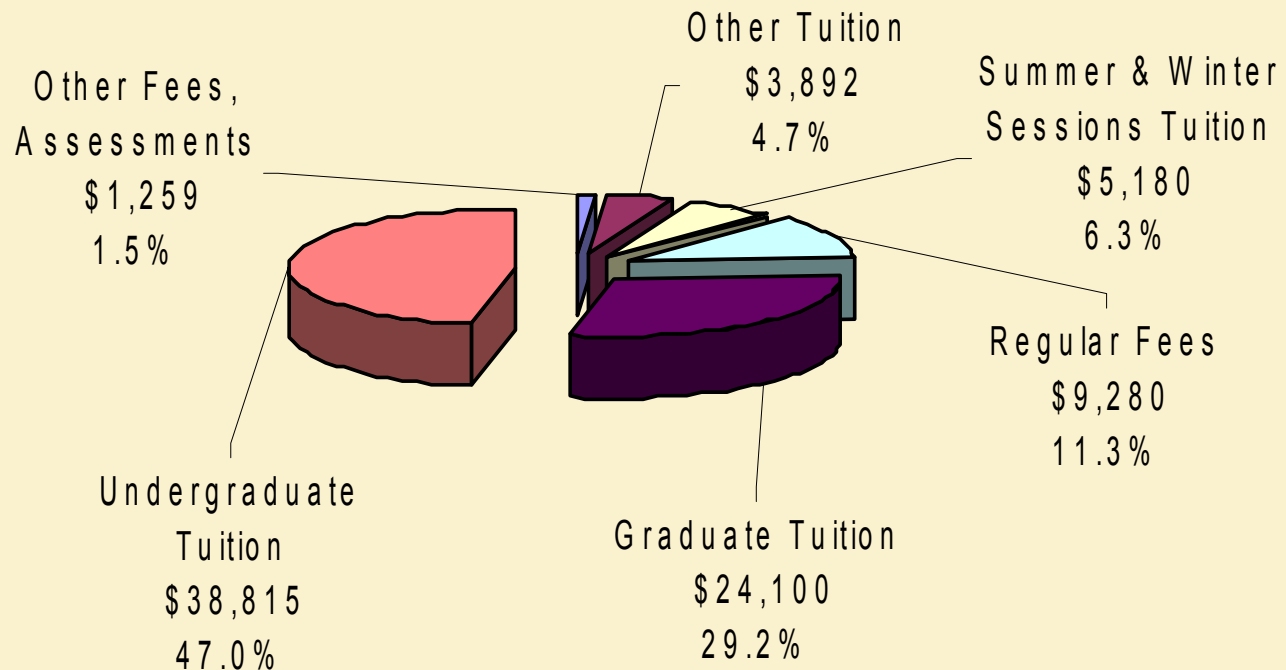
New Jersey Institute of Technology

FY 2006 Proposed Operating Budget

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Sources of Tuition, Fees and Assessments, and Other Income (\$000's)

\$82,526

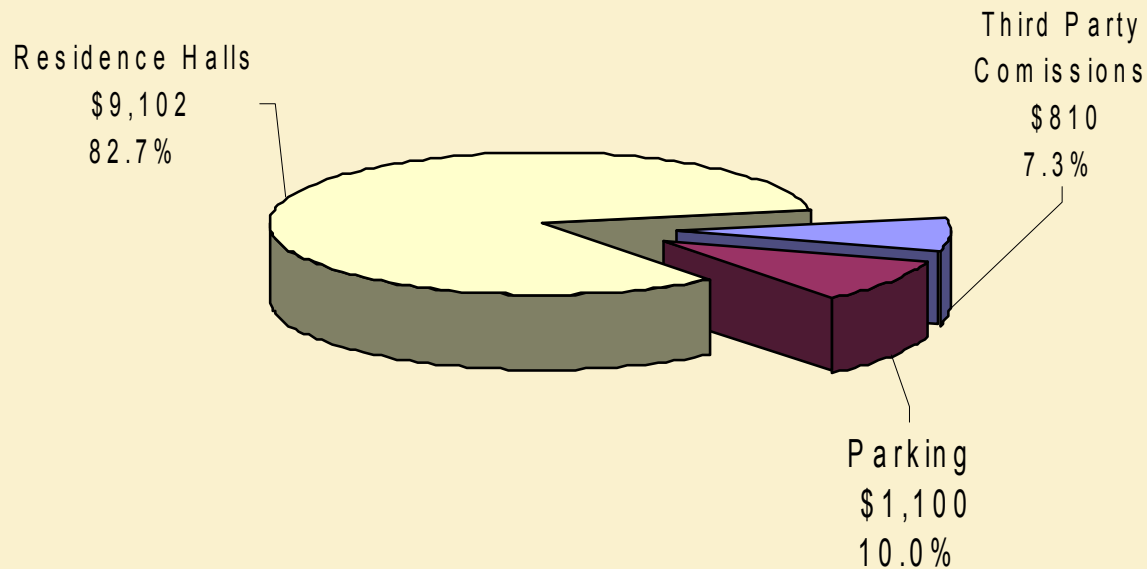


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Sources of Auxiliary Revenue (\$000's)

\$11,012

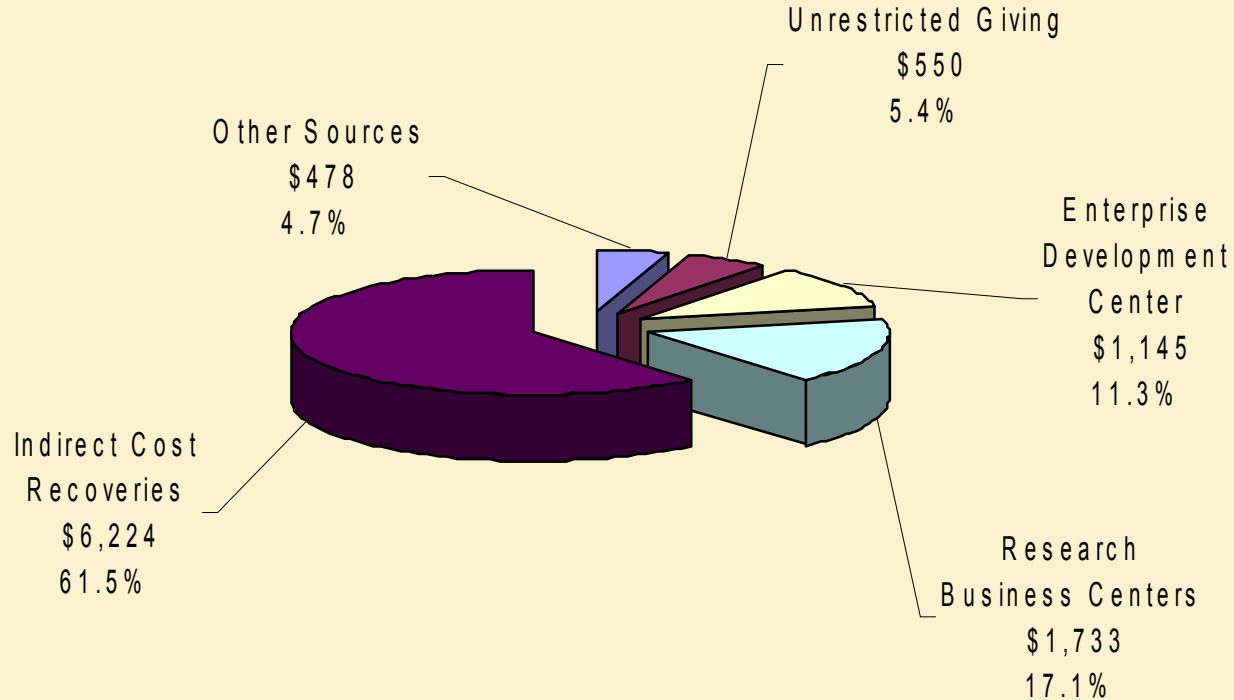


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Sources of Unrestricted Foundation Programs (\$000's)

\$10,130

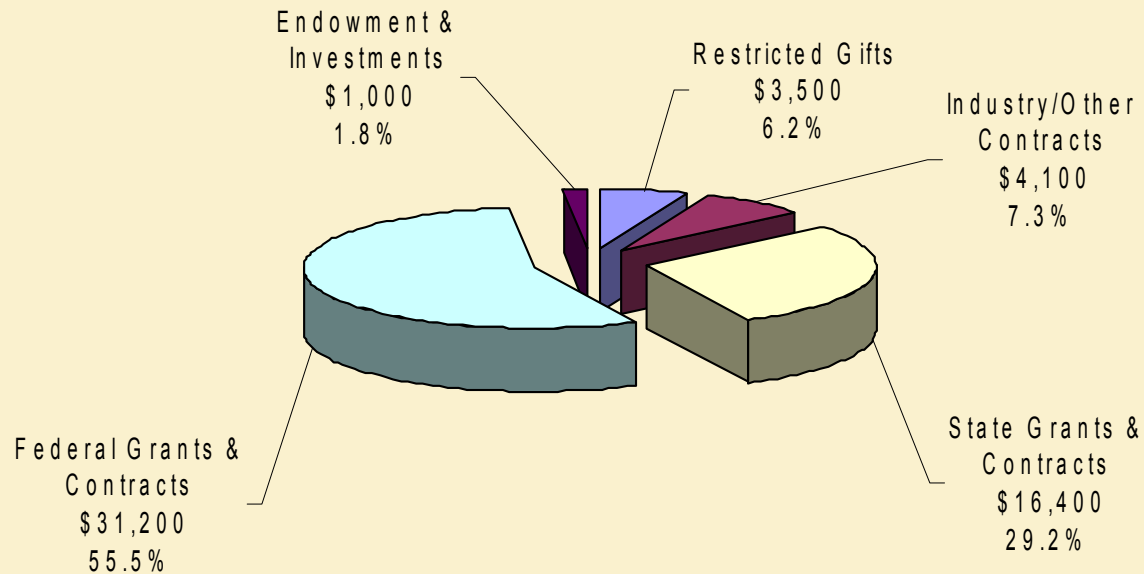


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Restricted Budget – Sources of Funds (\$000's)

\$56,200



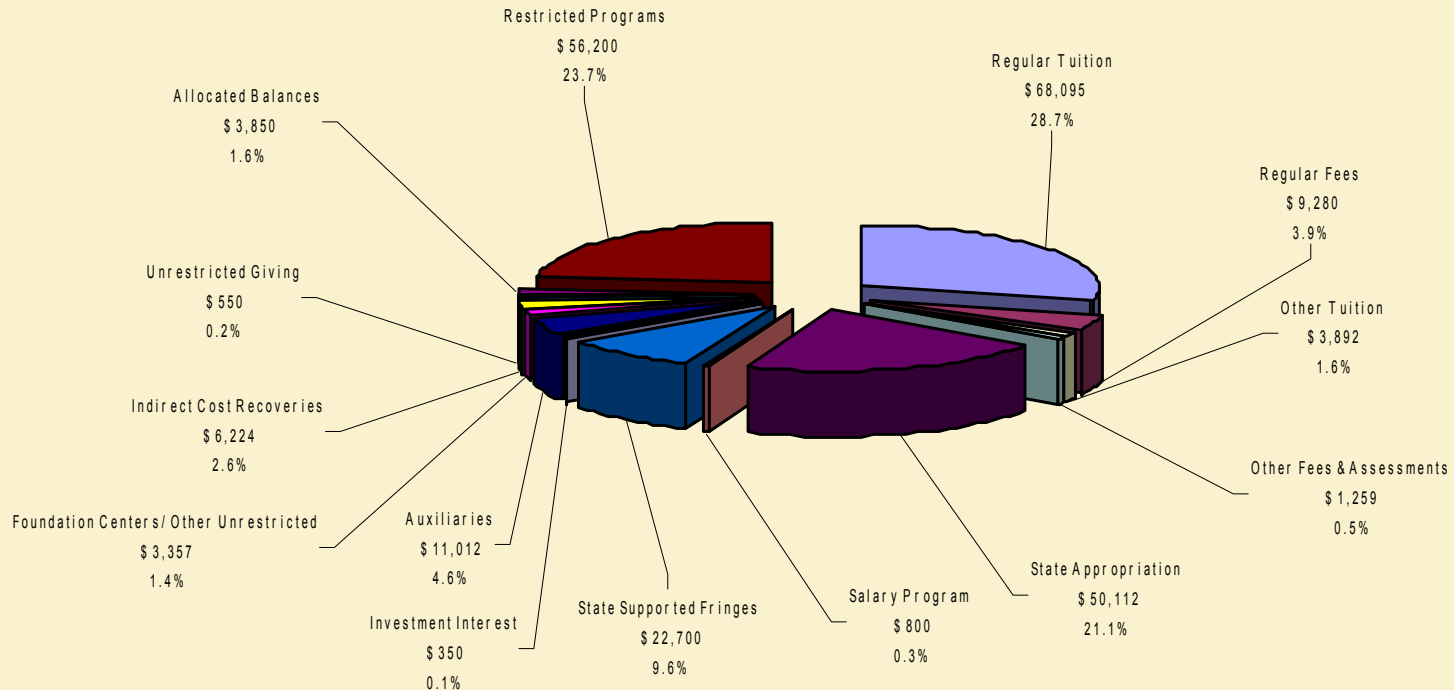
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Total - Sources of All Funds - Detail (\$000's)

\$237,681



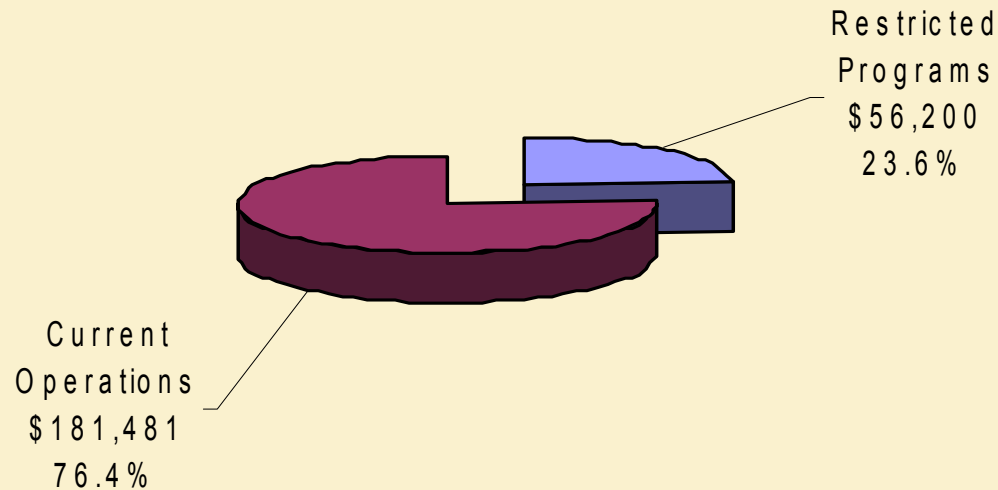
New Jersey Institute of Technology

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Uses of Funds - Total (\$000's)

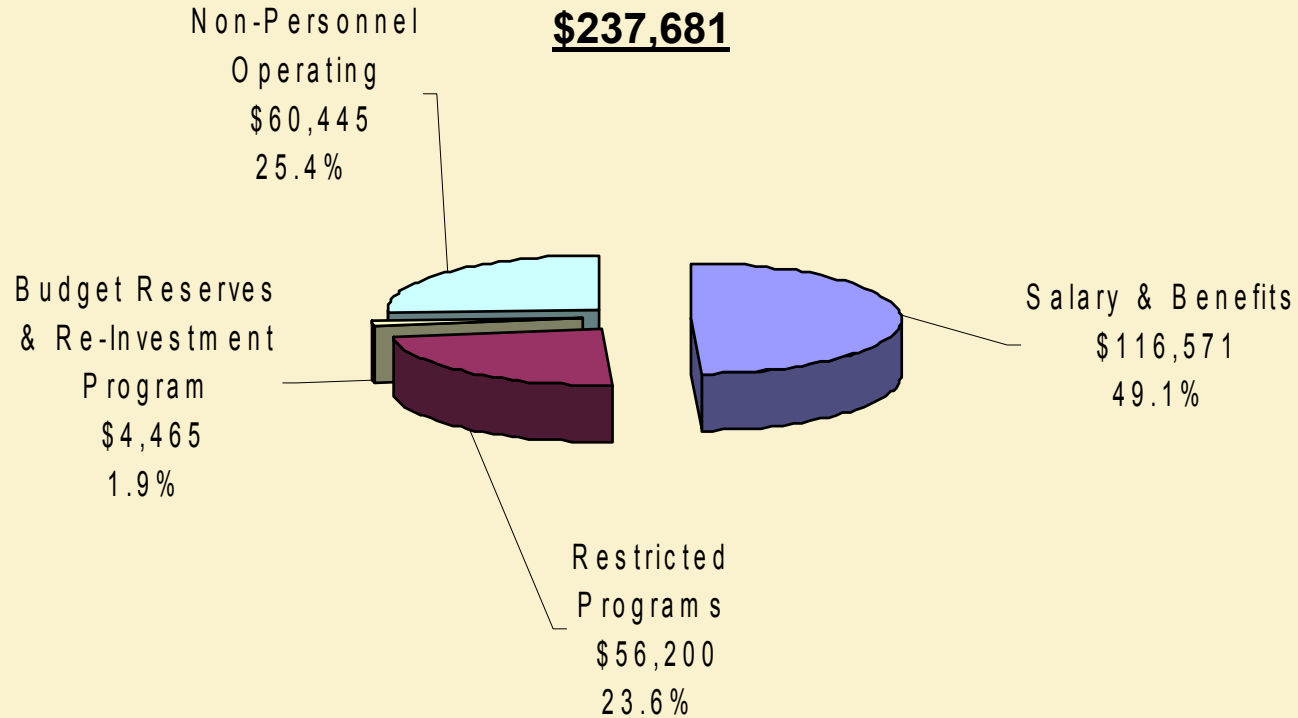
\$237,681



New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Uses of All Funds - Summary (\$000's)



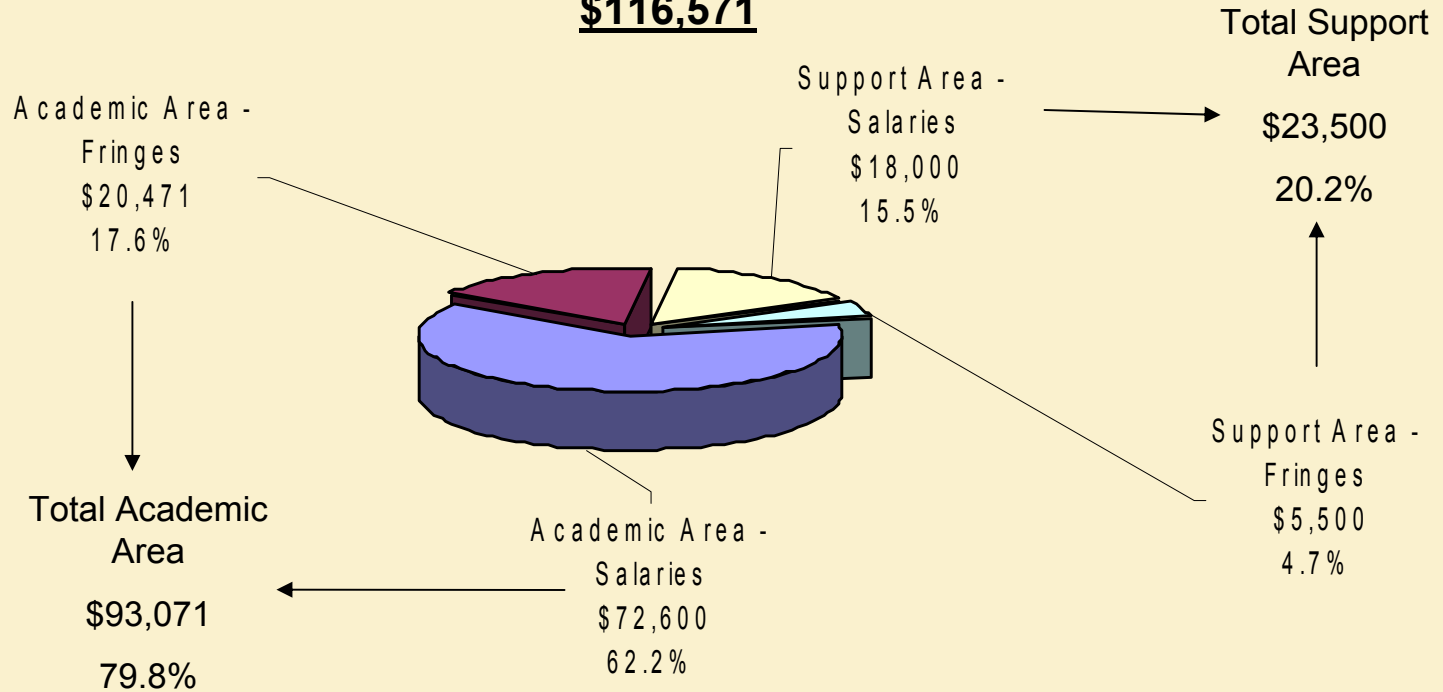
New Jersey Institute of Technology

FY 2006 Proposed Operating Budget

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Salary & Benefit Distribution (\$000's)

\$116,571

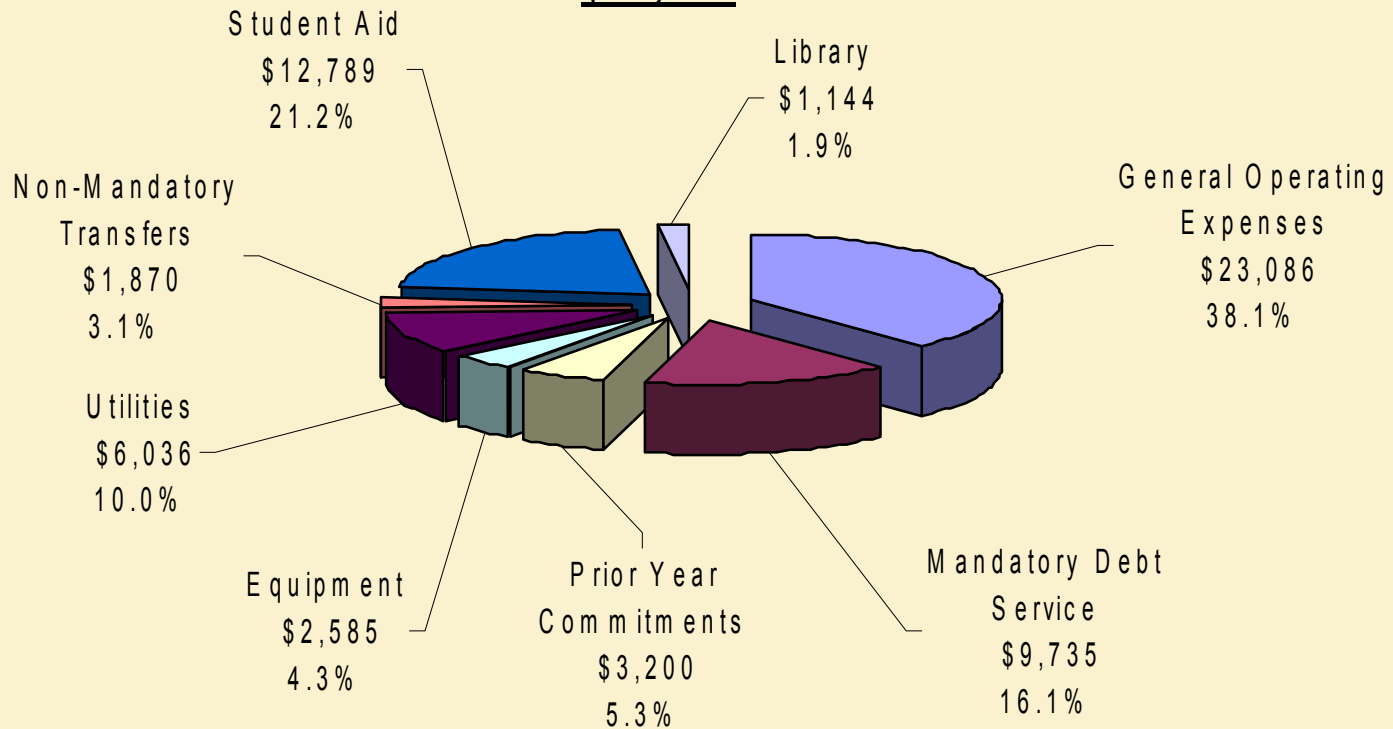


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Non-Personnel Expenses (\$000's)

\$60,445



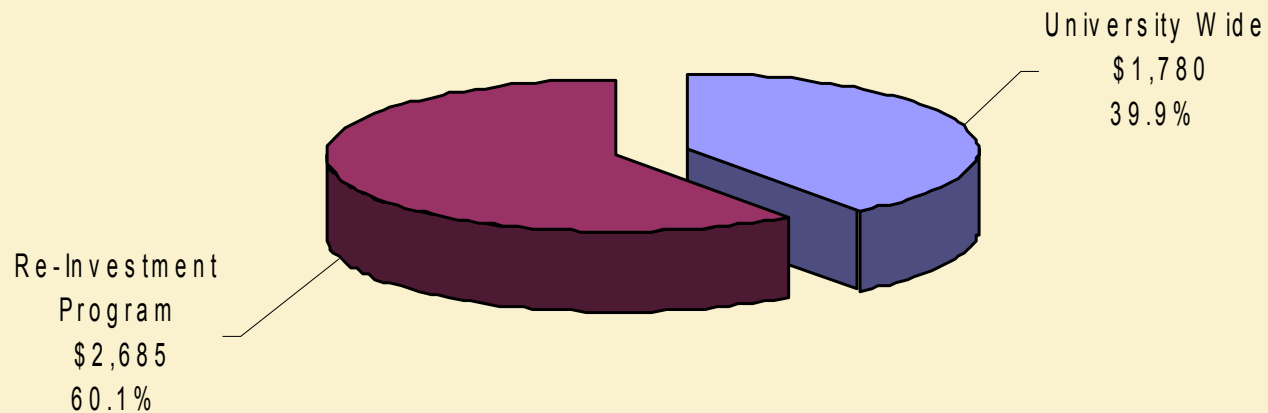
New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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University Reserves & Re-Investment Fund

(\$000's)

\$4,465



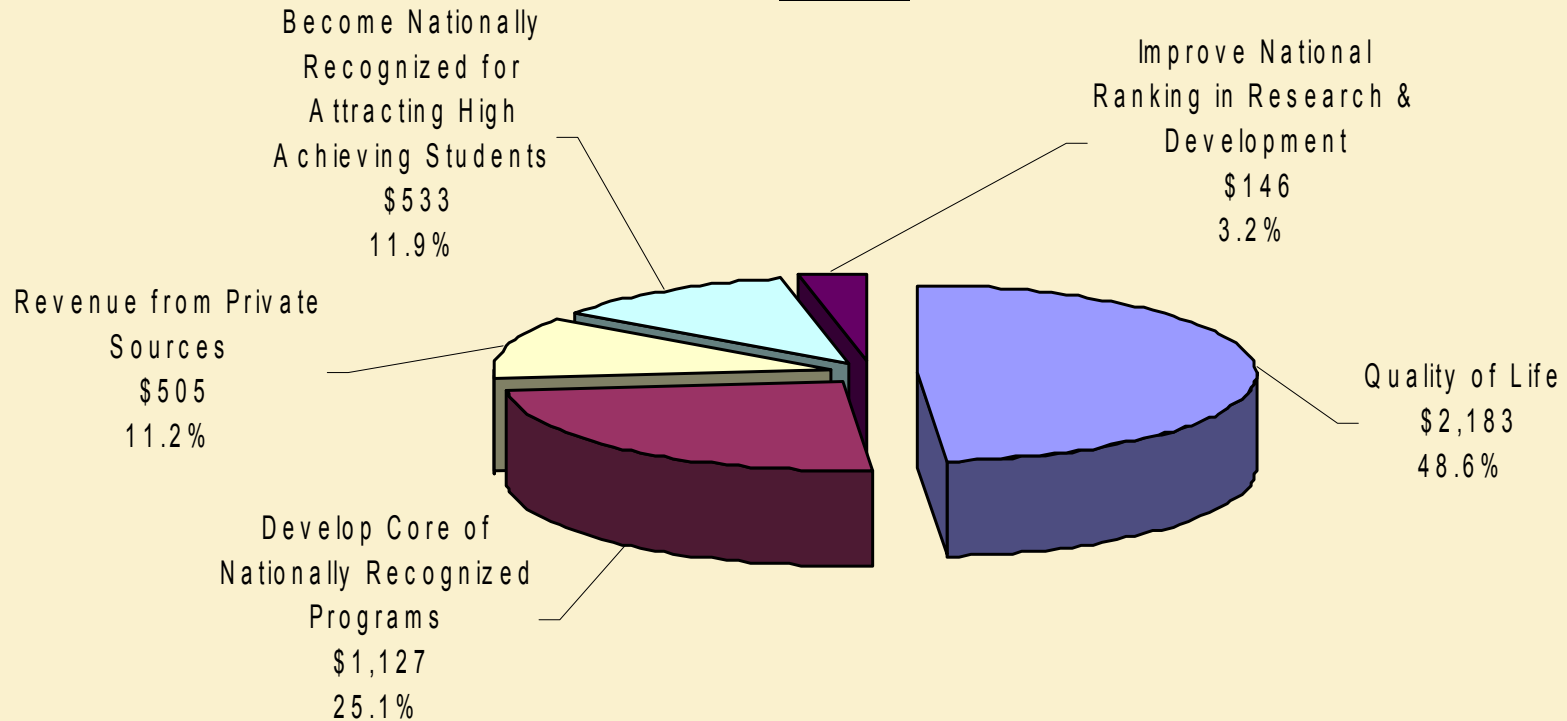
New Jersey Institute of Technology

FY 2006 Proposed Operating Budget

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Cumulative Allocation of Re-Investment Fund (\$000's)

\$4,494

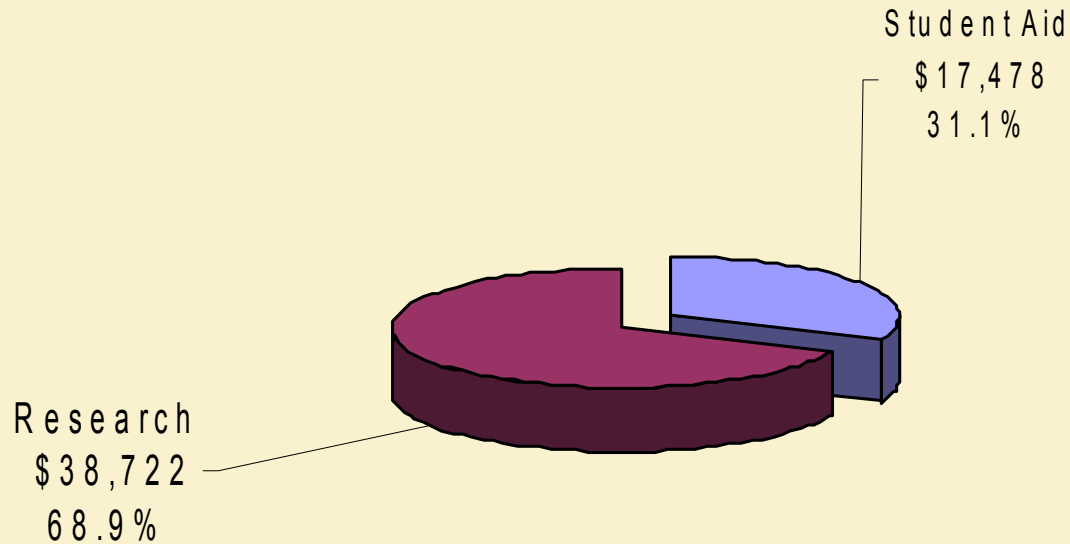


New Jersey Institute of Technology FY 2006 Proposed Operating Budget

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Restricted Programs – Uses of Funds (\$000's)

\$56,200



FY 2006 Operating Budget Highlights

- Overall, the proposed balanced operating budget totals \$237.7 million.
 - This budget reflects an increase of 6.0 percent (\$13.4 million) over FY05 projected year-end results.
 - This budget reflects a 2 year increase of 11.7 percent (\$24.9 million) over FY04 year-end results.
 - This budget includes \$2.7 million to invest in NJIT priorities (in addition to \$2.5 million committed in FY05).
 - Limits tuition and fee increase to 7 percent.

Sources of Funds

- Revenue assumptions include:
 - FY06 Base State appropriation level with the FY05 adjusted appropriation.
 - \$5.6 million revenue increase in tuition, fees and assessments, includes:
 - Level academic year undergraduate and graduate enrollment.
 - \$4.1 million increase from tuition rate increase.
 - \$0.8 million from various fee rate increases.
 - \$0.4 million increase in EMBA and CPE programs.
 - \$0.3 million increase in summer session revenue.
 - \$3.4 million additional increase (17.6%) in State appropriation for employee fringe benefits.
 - \$2.5 million increase (4.7%) in restricted programs.
 - \$0.9 million net increase in Unrestricted Foundation income.
 - \$0.8 million in additional State support for Salary Program (approximately 20% of need).
 - \$0.2 million increase in Auxiliary Service income (Residence Halls, Parking, Food Service).
 - \$0.2 million reduction in special purpose funding (Smart Shunt and Pre-College).
 - Other sources are generally budgeted at FY05 levels.

Uses of Funds

■ Major expense changes include:

- \$4.0 million increase for salary and equity programs.
- \$3.6 million increase for employee benefits.
- \$2.7 million increase to the re-investment program.
- \$2.5 million increase in restricted programs.
- \$1.8 million in budgeted reserves.
- \$1.5 million increase in undergraduate and graduate awards.
- \$1.1 million budgeted vacancy pool.
- \$0.9 million increase for utility usage and inflation.
- \$0.2 million increase for equipment.
- \$0.15 carry-forward for Smart Shunt Research.
- \$0.5 million decrease in student PC and IST support.
- \$1.8 million reduction to non-personnel budgets.

**New Jersey Institute of Technology
FY 2006 Proposed Operating Budget**

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Unrestricted	<u>\$181,481</u>
Total	\$237,681

Line Item Summary

New Jersey Institute of Technology

FY 2006 Proposed Operating Budget

(\$000's)

Restricted	\$56,200
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	FY04	FY05	FY05	FY05	FY06	FY06 BUDGET	
	YEAR-END	ORIGINAL OPERATING BUDGET	REVISED OPERATING BUDGET	PROJECTED YEAR-END @ 7/5/05	PROPOSED OPERATING BUDGET	\$	%
<u>INCOME DETAIL - UNRESTRICTED OPERATIONS</u>							
REGULAR TUITION	61,577	64,812	63,559	63,651	68,095	4,444	6.98%
REGULAR FEES	8,666	8,771	8,503	8,595	9,280	685	7.97%
OTHER TUITION	3,016	3,448	4,519	3,625	3,892	267	7.37%
OTHER FEES & ASSESSMENTS	1,224	902	849	1,104	1,259	155	14.04%
SUBTOTAL TUITION FEES AND ASSESSMENTS	74,483	77,933	77,430	76,975	82,526	5,551	7.21%
<u>GOVERNMENT APPROPRIATIONS:</u>							
STATE APPROPRIATION	48,790	48,840	48,890	48,890	50,112	1,222	2.50%
SALARY PROGRAM	0	1,400	1,420	1,422	800	(622)	(43.74%)
STATE SUPPORTED FRINGES	18,270	19,400	19,400	19,304	22,700	3,396	17.59%
TOTAL GOVERNMENT APPROPRIATIONS	67,060	69,640	69,710	69,616	73,612	3,996	5.74%
<u>OTHER SOURCES:</u>							
INVESTMENT INTEREST	165	225	350	595	350	(245)	(41.18%)
AUXILIARIES	10,252	10,575	10,675	10,852	11,012	160	1.47%
ALLOCATED BALANCES	2,054	3,867	3,867	3,266	3,850	584	17.88%
FOUNDATION PROGRAMS	7,607	8,189	8,977	9,235	10,131	896	9.70%
SUBTOTAL OTHER SOURCES	20,078	22,856	23,869	23,948	25,343	1,395	5.83%
TOTAL REVENUE - CURRENT OPERATIONS	161,621	170,429	171,009	170,539	181,481	10,942	6.42%
RESTRICTED PROGRAMS (NET OF OPERATIONS)	51,129	53,700	53,700	53,700	56,200	2,500	4.66%
TOTAL OPERATING INCOME BUDGET	212,750	224,129	224,709	224,239	237,681	13,442	5.99%

July 21, 2005

New Jersey Institute of Technology

FY 2006 Proposed Operating Budget

(\$000's)

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EXPENSE DETAIL - CURRENT OPERATIONS	FY04	FY05	FY05	FY05	FY06	FY06 BUDGET	
	YEAR-END	ORIGINAL OPERATING BUDGET	REVISED OPERATING BUDGET	PROJECTED YEAR-END @ 7/5/05	PROPOSED OPERATING BUDGET	\$	%
<u>PERSONNEL</u>							
ACADEMIC & PROGRAM AREA SALARIES	63,451	68,563	68,402	68,207	72,600	4,393	6.44%
ACADEMIC & PROGRAM AREA FRINGE BENEFITS	16,520	17,521	17,594	17,660	20,471	2,811	15.92%
TOTAL ACADEMIC AREA	79,971	86,084	85,996	85,867	93,071	7,204	8.39%
SUPPORT AREA SALARIES	16,527	17,021	16,524	16,250	18,000	1,750	10.77%
SUPPORT AREA FRINGE BENEFITS	4,695	4,714	4,739	4,674	5,500	826	17.67%
TOTAL SUPPORT AREA	21,222	21,735	21,263	20,924	23,500	2,576	12.31%
TOTAL PERSONNEL	101,193	107,819	107,259	106,791	116,571	9,780	9.16%
<u>NON - PERSONNEL</u>							
EQUIPMENT	1,800	2,366	2,476	2,337	2,585	248	10.61%
UTILITIES - PHYSICAL PLANT	5,084	5,532	5,286	5,147	6,036	889	17.27%
GENERAL OPERATING EXPENSES	21,111	21,850	24,237	23,910	23,086	(824)	(3.45%)
LIBRARY COLLECTIONS	872	1,295	1,204	1,275	1,144	(131)	(10.27%)
STUDENT AID	10,599	12,402	12,032	11,335	12,789	1,454	12.83%
MANDATORY TRANS. - DEBT SERVICE	11,129	9,731	9,698	9,717	9,735	18	0.19%
NON-MANDATORY TRANS.	6,688	2,428	2,347	5,932	1,870	(4,062)	(68.48%)
PRIOR YEAR COMMITMENTS (ALLOCATED BALANCES)	2,054	2,555	2,555	1,954	3,200	1,246	63.77%
TOTAL NON - PERSONNEL	59,337	58,159	59,835	61,607	60,445	(1,162)	(1.89%)
RE-INVESTMENT PROGRAM	1,091	2,471	2,471	2,141	2,466	325	15.18%
ADDITIONAL RE-INVESTMENT FUNDS	-	-	-	-	219	219	0.00%
UNIVERSITY WIDE BUDGET RESERVES	-	1,980	1,444	-	1,780	1,780	0.00%
TOTAL RESERVES	1,091	4,451	3,915	2,141	4,465	2,324	108.55%
TOTAL EXPENSES - CURRENT OPERATIONS	161,621	170,429	171,009	170,539	181,481	10,942	6.42%
RESTRICTED PROGRAMS (NET OF OPERATIONS)	51,129	53,700	53,700	53,700	56,200	2,500	4.66%
TOTAL OPERATING EXPENSES	212,750	224,129	224,709	224,239	237,681	13,442	5.99%

July 21, 2005

New Jersey Institute of Technology

Priorities and Projects

(\$000's)

Description	FY05	FY06	FY07
Develop a core of nationally recognized programs			
Architecture studios/model shop	\$284	\$490	\$1,400
Enhance and enrich the quality of life of the university community and ensure a focus on the student			
Class/laboratory/office upgrades	\$767	\$700	\$250
Landscaping	\$2,626	\$1,075	\$0
Athletic/recreation upgrades	\$1,400	\$213	\$0
Become nationally recognized for attracting high achieving students from diverse national and international backgrounds			
Women's Center/Dean of Students	\$150	\$100	\$0
Other Plant Projects			
Residence Hall upgrades/HVAC/elevators/East Building façade	\$664	\$1,550	\$2,310
Total	\$5,891	\$4,128	\$3,960
Major Projects			
East Bldg/Campus Center	\$7,242	\$484	\$0
Cullimore	\$3,710	\$779	\$0
Eberhardt	\$4,852	\$5,421	\$0
Other	\$333		\$0
Total Major Projects	\$16,137	\$6,684	\$0
Total All Projects	\$22,028	\$10,812	\$3,960
Resources			
NJIT/State Bond proceeds	\$14,836		
Plant Fund	\$5,399	\$10,599	
Other NJIT Funds	\$520		
Private	\$570		
Advance of Private	\$703	\$213	
Total Resources	\$22,028	\$10,812	

July 21, 2005

New Jersey Institute of Technology

Appropriations, Tuition and Fee Income Analysis

July 14, 2005
(\$000's)

	<u>STATE REQUEST</u>	<u>STATE APPROPRIATION</u>	<u>FISCAL YEAR SHORTFALL</u>	<u>%FISCAL YEAR SHORTFALL</u>	<u>TUITION/FEE REVENUE</u>	<u>TUITION/FEE REVENUE Δ</u>	<u>Annual % Increase Tuition</u>	<u>% Tuition Cap</u>	<u>BUDGET EXPENDITURE REDUCTIONS</u>
FY02	56,110	52,133	(3,977)	-7.1%	62,378	N/A	6.9	-	N/A
FY03	55,896	49,621	(6,275)	-11.2%	67,596	5,218	9.7	-	2,896
FY04	52,367	48,690	(3,677)	-7.0%	72,777	5,181	8.5	9.0	3,936
FY05	51,526	50,112	(1,414)	-2.7%	74,462	1,685	8.0	8.0	6,070
FY06 (a)	53,131	50,912	(2,219)	-4.2%	80,024	5,562	7.0	8.0	3,303
Cumu- lative (a) proposed			(31,147)			17,646			16,205

New Jersey Institute of Technology

Proposed Schedule of Tuition & Fees

Actual FY 2005 & Proposed FY 2006

EXHIBIT A

TUITION	ACTUAL	PROPOSED	DIFFERENCE	
	FY 2005	FY 2006	AMOUNT	PERCENT
Undergraduate				
<u>In-State</u>				
Full-Time Per Semester	\$3,959	\$4,236	\$277	7.0%
Part-Time Per Credit	300	\$321	\$21	7.0%
<u>Out-Of-State</u>				
Full-Time Per Semester	6,858	7,338	\$480	7.0%
Part-Time Per Credit	587	628	\$41	7.0%
Graduate				
<u>In-State</u>				
Full-Time Per Semester	5,195	5,559	\$364	7.0%
Part-Time Per Credit	561	600	\$39	7.0%
<u>Out-Of-State</u>				
Full-Time Per Semester	7,312	7,824	\$512	7.0%
Part-Time Per Credit	772	826	\$54	7.0%

UNDERGRADUATE FULL - TIME, PER SEMESTER

	TUITION		FEES		TOTAL	
	FY 05	FY 06	FY 05	FY 06	FY 05	FY 06
NJIT	\$ 3,959	\$ 4,236	\$ 631	\$ 675	\$ 4,590	\$ 4,911
RUTGERS ENGINEERING (est)	\$ 3,772	\$ 4,074	\$ 886	\$ 957	\$ 4,658	\$ 5,031

New Jersey Institute of Technology

Proposed Schedule of Tuition & Fees

Actual FY 2005 & Proposed FY 2006

FEES – Per Semester	ACTUAL	PROPOSED	DIFFERENCE	
	FY 2005	FY 2006	AMOUNT	PERCENT
<u>Full-Time (12 or More Credits)</u>				
Registration	70	80	\$10	14.3%
Academic Facilities	315	315	\$0	0.0%
Technology Infrastructure	100	100	\$0	0.0%
Student Services	56	60	\$4	7.1%
Student Senate Activities – Undergraduate	48	48	\$0	0.0%
Student Senate Activities – Graduate	35	35	\$0	0.0%
Athletics	30	50	\$20	66.7%
Health	12	22	\$10	83.3%
TOTAL UNDERGRADUATE	631	675	44	7.0%
TOTAL GRADUATE	618	662	44	7.1%
<u>Part-Time</u>				
Per Credit:				
Academic Facilities	33	33	0	0.0%
Technology Infrastructure	13	13	0	0.0%
Student Services	7	8	1	14.3%
Student Senate Activities - Undergraduate	5	5	0	0.0%
Student Senate Activities - Graduate	3	3	0	0.0%
Athletics	3	5	2	66.7%
TOTAL UNDERGRADUATE PER CREDIT	61	64	3	4.9%
TOTAL GRADUATE PER CREDIT	59	62	3	5.1%
Part-Time Per Semester:				
Health Services	12	22	10	83.3%
Registration	70	80	10	14.3%
TOTAL PER SEMESTER	82	102	20	24.4%
"TYPICAL COSTS" IN-STATE TUITION AND FEES PER SEMESTER				
<u>Undergraduate</u>				
Full-Time	4,590	4,911	321	7.0%
Part-Time (6 credits)	2,248	2,412	164	7.3%
<u>Graduate</u>				
Full-Time	5,813	6,221	408	7.0%
Part-Time (6 credits)	3,802	4,074	272	7.2%