



Budget Environment

- 7% reduction in State appropriation + zero salary program funding
 - 20.6% to recover State shortfall (including Rutgers)
 - 16.3% to recover State shortfall (not including Rutgers)
 - 8% tuition increase cap imposed
- Zero merit based awards for new students
- No capital/maintenance funding
- Internal budget demands equivalent to 14% of State appropriation



**Review of Annual Operating Budget
FY02 - FY07
(\$000's)**

	Fiscal Year	% Fiscal Year	Budgetary Expenditure	Annual % Increase	% Tuition Cap
	State Shortfall	Shortfall	Reductions/ Reallocations	Tuition	
FY02	(\$3,977)	-7.1%	N/A	6.9	-
FY03	(\$6,275)	-11.2%	\$2,896	9.7	-
FY04	(\$3,677)	-7.0%	\$3,936	8.5	9.0
FY05	(\$1,414)	-2.7%	\$6,070	8.0	8.0
FY06	(\$1,619)	-3.0%	\$3,303	7.0	8.0
FY07	(\$8,554)	-15.3%	\$11,567	7.0	8.0



FY07 Budget/Tuition and Fees

- Sensitive to rising price of education
- Incorporates substantial operating and personnel reductions
- Conservatively assumes flat enrollment
- Minimizes the use of one-time funds for recurring expenditures
- Allocates modest but needed funds for plant renovation/maintenance
- Continues investment in Strategic Priorities



Budgeting Approach

- Freeze FY06
 - personnel funds
 - operations spending rate
 - reserve funds
- Limit FY07 contract renewal and hiring (≈ 60 FTE)
- Reduce FY07 non-academic operating expenditures
- Reduce FY07 recurring salary increase obligations
- Restructure CPE-reduce expenditures/enhance revenue
- Increase student awards
- Limit tuition increase
- Support capital/maintenance program



FY07 Budget/Tuition and Fees

- 7% tuition/fee (price) increase compared to
 - 8% tuition increase cap
 - 8% plus tuition increase at other institutions
 - recovers modest yield (average cost increase \approx 2.5% less than 7% price increase)
- 14% increase in student awards (including Strategic Plan allocations)
- 4.5% of recurring budget built on recurring expenditure reduction
- 1.7% of recurring budget built on non-recurring funds
- 1.6% of budget to capital/maintenance (0.9% of plant replacement value compared to APPA recommendation of 1.5-3.0%)



STATEMENT SCHEDULE OF TUITION AND FEES

The Schedule of Tuition and Fees for FY 2007 has been carefully reviewed and has been the subject of a public hearing as required by Law. The Legislature and Governor have acted to establish the basic appropriation. The FY 2007 base State appropriation is \$47.182 million.

Shown below are the FY 2006 and FY 2007 per semester tuition and fees for full-time, in-state undergraduates for NJIT and for the Rutgers University engineering program. The proposed complete schedule of Tuition and Fees is shown on Attachment A, while Exhibit A shows a comparison between the FY 2006 and proposed FY 2007 rates.

UNDERGRADUATE FULL - TIME, PER SEMESTER

	TUITION		FEES	
	FY 06	FY 07	FY 06	FY 07
NJIT	\$ 4,236	\$ 4,533	\$ 675	\$ 720
RUTGERS ENGINEERING	\$ 4,073	\$ 4,399	\$ 943	\$ 1,018

The change in fees are intended to support increased levels of service and expense. The four fees, academic facilities, technology infrastructure, student services and athletics increase the required fees for a full time undergraduate by \$45 or 6.7% per semester.



NEW JERSEY INSTITUTE OF TECHNOLOGY
Schedule of Tuition & Fees
Actual FY 2006 & FY 2007

EXHIBIT A

Summary Change - In-State Full Time Undergraduate

	ACTUAL		DIFFERENCE	
	FY 2006	FY 2007	AMOUNT	PERCENT
Full-Time Per Semester Tuition	\$ 4,236	\$ 4,533	\$ 297	7.0%
Full-Time Per Semester Fees	\$ 675	\$ 720	\$ 45	6.7%

Complete Schedule of Mandatory Tuition and Fees

TUITION	ACTUAL		DIFFERENCE	
	FY 2006	FY 2007	AMOUNT	PERCENT
Undergraduate				
<u>In-State</u>				
Full-Time Per Semester	\$4,236	\$4,533	\$297	7.0%
Part-Time Per Credit	321	346	25	7.8%
<u>Out-Of-State</u>				
Full-Time Per Semester	7,338	7,925	587	8.0%
Part-Time Per Credit	628	678	50	8.0%
Graduate				
<u>In-State</u>				
Full-Time Per Semester	5,559	5,948	389	7.0%
Part-Time Per Credit	600	648	48	8.0%
<u>Out-Of-State</u>				
Full-Time Per Semester	7,824	8,450	626	8.0%
Part-Time Per Credit	826	892	66	8.0%



NEW JERSEY INSTITUTE OF TECHNOLOGY
Schedule of Tuition & Fees
 Actual FY 2006 & FY 2007

EXHIBIT A

FEES – Per Semester

Full-Time (12 or More Credits)

Registration	\$80	\$80	\$0	0.0%
Academic Facilities	315	325	10	3.2%
Technology Infrastructure	100	110	10	10.0%
Student Services	60	65	5	8.3%
Student Senate Activities – Undergraduate	48	48	0	0.0%
Student Senate Activities – Graduate	35	35	0	0.0%
Athletics	50	70	20	40.0%
Health	22	22	0	0.0%
TOTAL UNDERGRADUATE	675	720	45	6.7%
TOTAL GRADUATE	662	707	45	6.8%

Part-Time

Per Credit:

Academic Facilities	\$33	\$34	\$1	3.0%
Technology Infrastructure	13	14	1	7.7%
Student Services	8	9	1	12.5%
Student Senate Activities - Undergraduate	5	5	0	0.0%
Student Senate Activities - Graduate	3	3	0	0.0%
Athletics	5	6	1	20.0%
TOTAL UNDERGRADUATE PER CREDIT	64	68	4	6.3%
TOTAL GRADUATE PER CREDIT	62	66	4	6.5%

Part-Time Per Semester:

Health Services	\$22	\$22	\$0	0.0%
Registration	80	80	0	0.0%
TOTAL PER SEMESTER	102	102	0	0.0%



**NEW JERSEY INSTITUTE OF TECHNOLOGY
TUITION & FEE SCHEDULE 2006 - 2007**

Attachment A

UNDERGRADUATE	RESIDENT	NON-RESIDENT
Less than 12 credit hours per semester	\$346	\$678
12 to 19 credit hours per semester	4,533	7,925
Each credit hour over 19	346	678
GRADUATE		
Full-time	5,948	8,450
Part-time	648	892
SUMMER SESSION 2007		
Undergraduate	346	678
Graduate	648	892

EXECUTIVE MANAGEMENT PROGRAM

Program cost includes tuition, fees and materials: \$45,000

ROOM AND BOARD: Typical average academic year cost is \$8,980



**NEW JERSEY INSTITUTE OF TECHNOLOGY
TUITION & FEE SCHEDULE 2006 - 2007**

Attachment A

FEES PER SEMESTER:

	TOTAL (A,B)	REGIS- TRATION	ACADEMIC FACILITIES	TECHNOLOGY INFRA- STRUCTURE	STUDENT SERVICES	STUDENT ACTIVITIES	ATHLETICS	HEALTH
12 or more credits								
Undergraduate	720	80	325	110	65	48	70	22
Graduate	707	80	325	110	65	35	70	22
Less than 12 Credits PLUS	102	80						22
Per credit								
Undergraduate	68		34	14	9	5	6	0
Graduate	66		34	14	9	3	6	0
Per Term								
Winter/Summer Sessions	138	90	28	20	0	0	0	0

(A) - In addition, students will be charged \$244 for legislated health insurance coverage, which will be refunded if the student can provide proof of insurance. International students will pay \$282 .

(B) - In addition, there is a \$85 per semester charge for international students.

NEW JERSEY INSTITUTE OF TECHNOLOGY
TUITION & FEE SCHEDULE 2006 - 2007



Attachment A (Continued)

PER OCCURRENCE FEES	UNDERGRADUATE	GRADUATE
Application/Re-admission/Non-Matriculation	\$50	\$60
Late Registration	100	100
Deferred Payment	50	50
Schedule Change	25	25
Make-up Exam	50	50
Re-instatement	200	200
Thesis	N/A	75
Dissertation	N/A	100
Laboratory	Variable per catalog	Variable per catalog
Maintaining Registration	25	50
Commencement	100	100
Parking		
· Part-time (per semester)	65	65
· Full-time (per semester)	125	125
Health Insurance (1)		
· In-State and Out-Of-State	244	244
· International Students	282	282
Miniversity	85	N/A
Transfer Student Orientation	10	N/A
Distance Learning (per semester)	65	65

(1) Health insurance coverage is refundable if the student can provide proof of insurance.



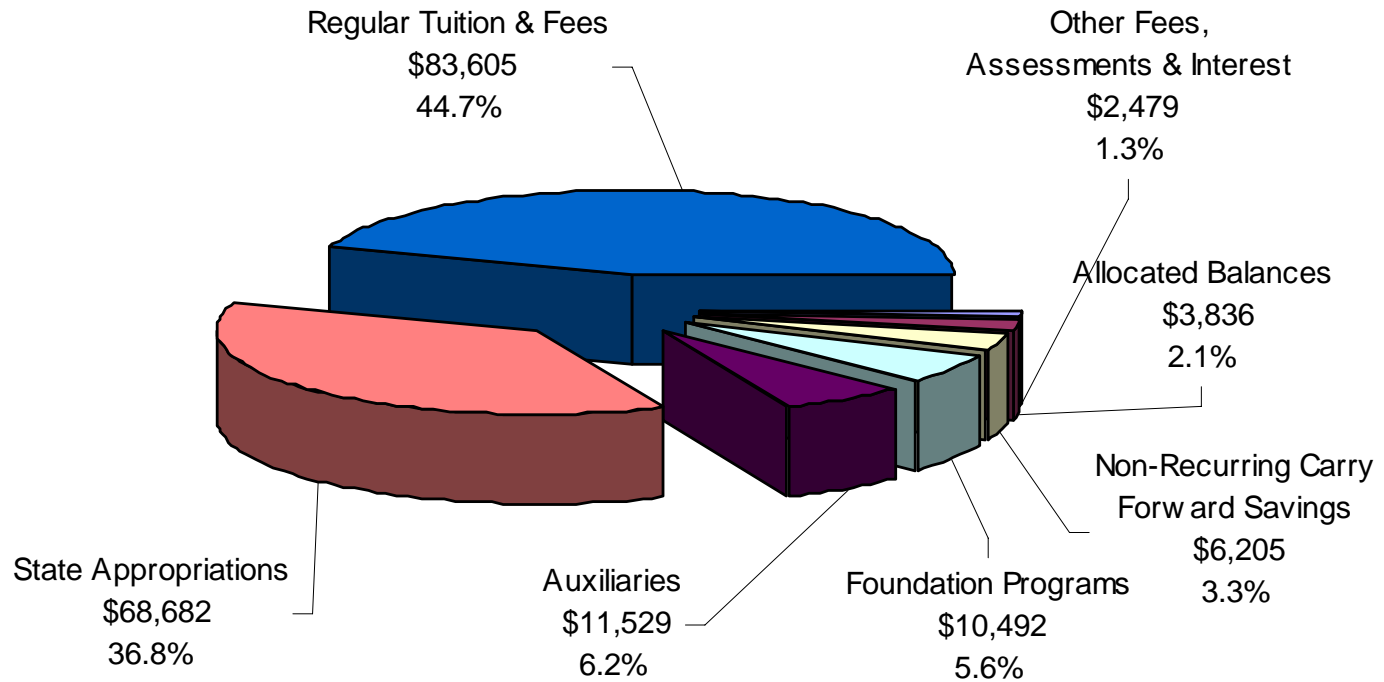
**New Jersey Institute of Technology
 FY2007 Budget Development
 Review of Tuition Rate Increases**

	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>
Gross Tuition Increase %	6.9%	9.7%	8.5%	8.0%	7.0%	7.0%
Actual % Yield From Rate Increase	6.0%	8.6%	6.4%	5.1%	5.7%	4.4%

FY 2007 Operating Budget
Unrestricted Budget – Sources of Funds
 (\$000's)

Restricted	\$56,800
Unrestricted	\$186,828
Total	\$243,628

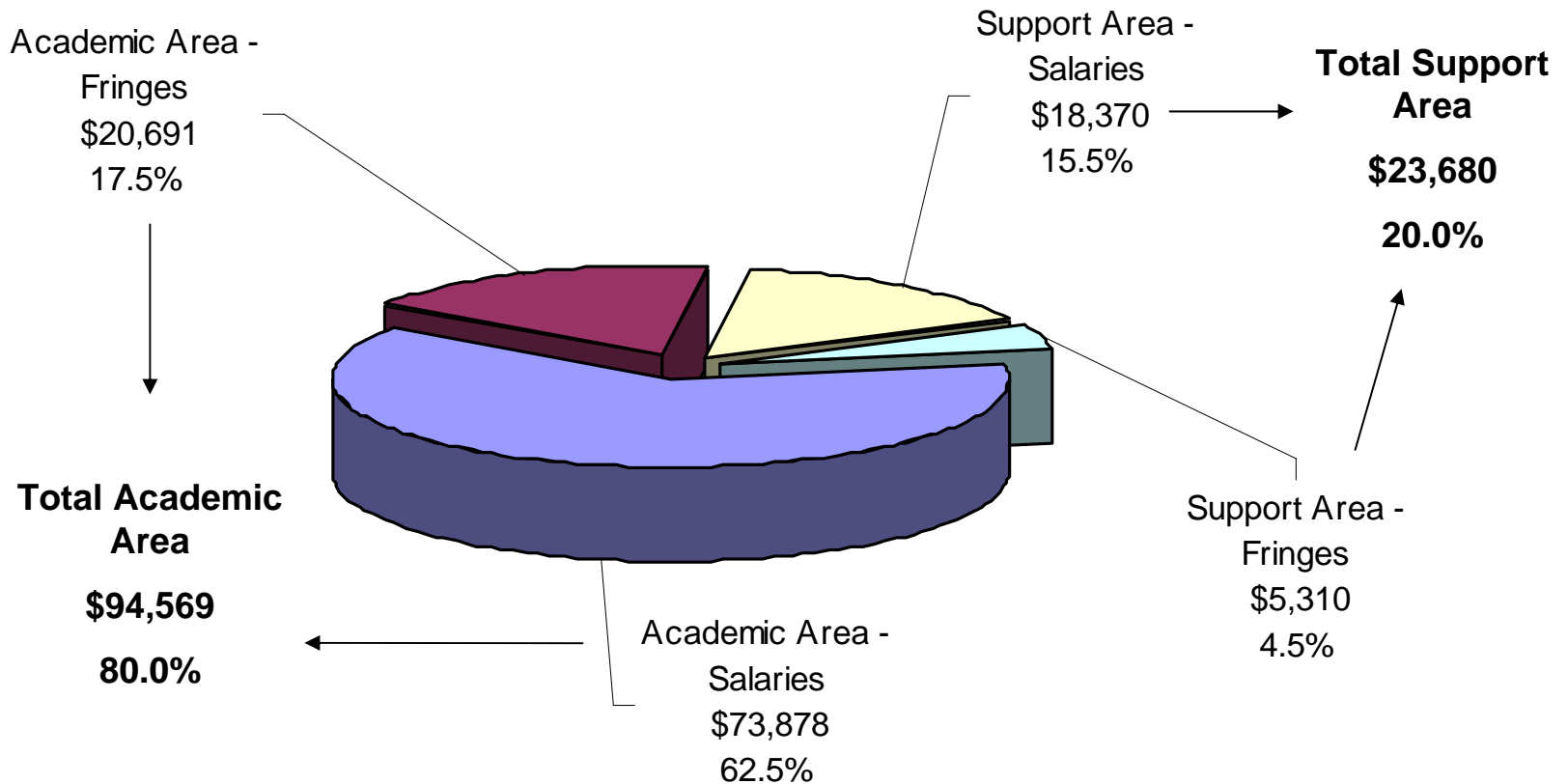
\$186,828



**FY 2007 Operating Budget
Salary & Benefit Distribution
(\$000's)**

Restricted	\$56,800
Unrestricted	\$186,828
Total	\$243,628

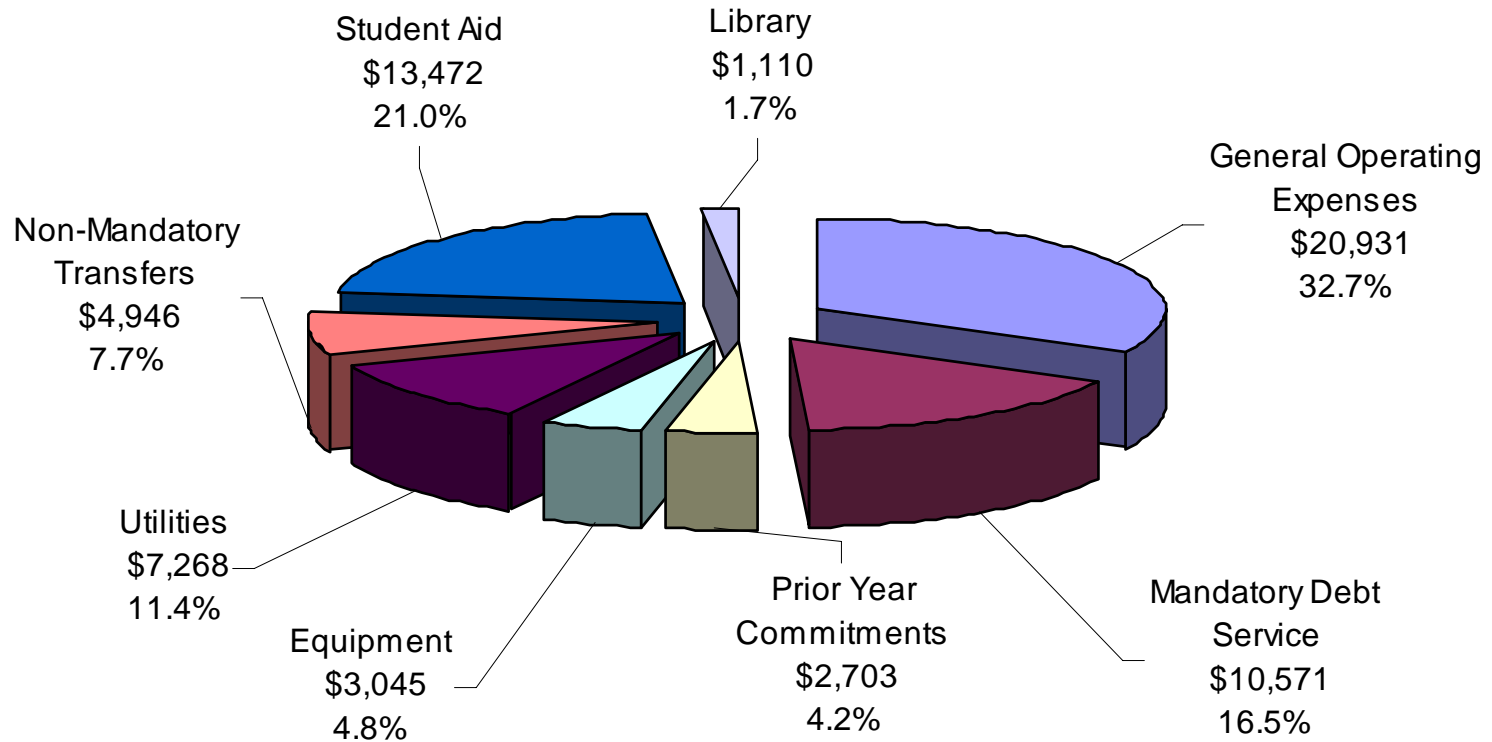
\$118,249



**FY 2007 Operating Budget
Non-Personnel Expenses
(\$000's)**

Restricted	\$56,800
Unrestricted	\$186,828
Total	\$243,628

\$64,046

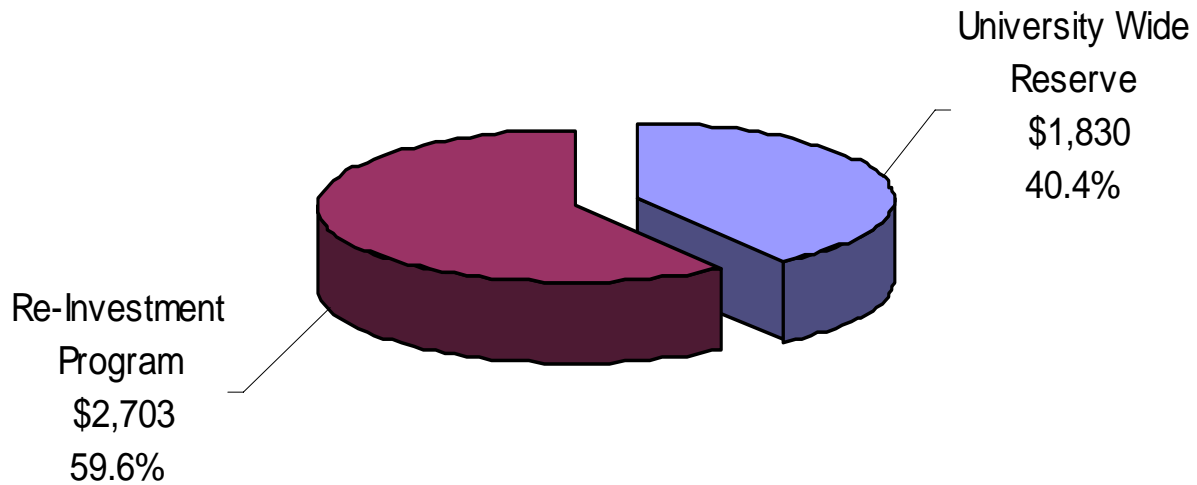


FY 2007 Operating Budget University Reserves & Re-Investment Fund

Restricted	\$56,800
Unrestricted	<u>\$186,828</u>
Total	\$243,628

(\$000's)

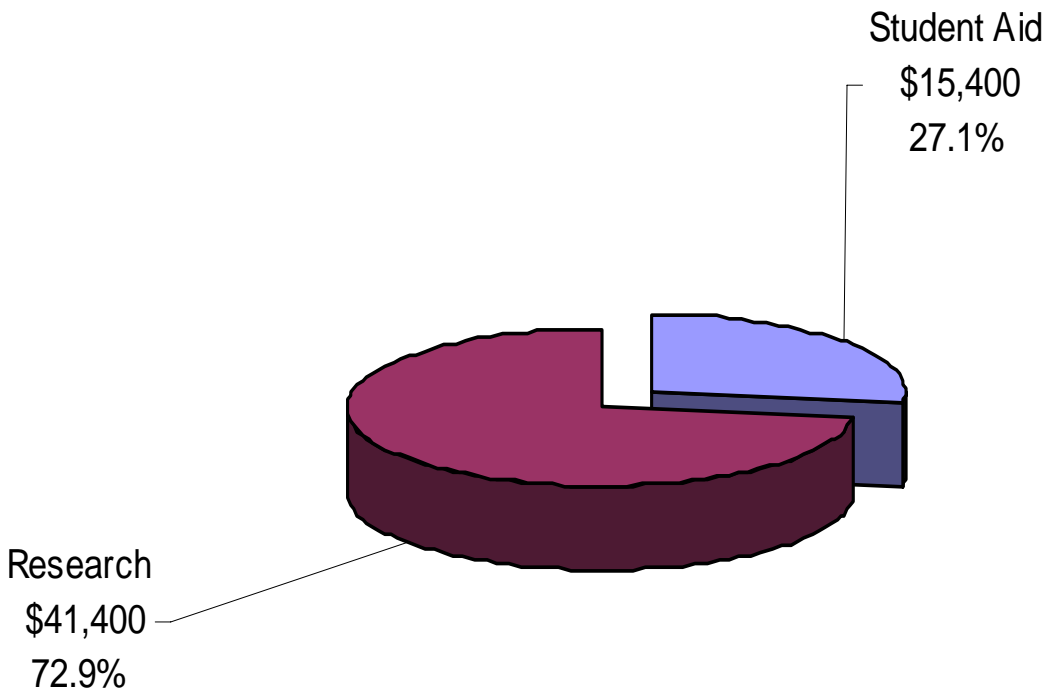
\$4,533



FY 2007 Operating Budget Restricted Programs – Uses of Funds (\$000's)

Restricted	\$56,800
Unrestricted	<u>\$186,828</u>
Total	\$243,628

\$56,800



New Jersey Institute of Technology
FY 2007 Operating Budget
(\$000's)

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	FY05 YEAR-END	FY06 ORIGINAL OPERATING BUDGET	FY06 REVISED OPERATING BUDGET	FY06 PROJECTED YEAR-END @ 7/7/06	FY07 PROPOSED BUDGET ADJUSTMENTS	FY07 PROPOSED OPERATING BUDGET	FY07 BUDGET TO FY06 ORIGINAL BUDGET	
							\$	%
INCOME DETAIL - UNRESTRICTED OPERATIONS								
REGULAR TUITION	63,650	68,095	67,061	67,062	4,697	71,758	3,663	5.4%
REGULAR FEES	8,596	9,280	9,292	9,294	556	9,848	568	6.1%
OTHER TUITION	3,623	3,892	2,822	2,250	(823)	1,999	(1,893)	(48.6%)
SUBTOTAL REGULAR TUITION AND FEES	75,869	81,267	79,175	78,606	4,430	83,605	2,338	2.9%
GOVERNMENT APPROPRIATIONS:								
STATE APPROPRIATION	48,890	50,112	50,112	50,112	(2,930)	47,182	(2,930)	(5.8%)
SALARY PROGRAM	1,422	800	800	1,406	(800)	0	(800)	(100.0%)
STATE SUPPORTED FRINGES	19,122	22,700	20,671	20,000	829	21,500	(1,200)	(5.3%)
TOTAL GOVERNMENT APPROPRIATIONS	69,434	73,612	71,583	71,518	(2,901)	68,682	(4,930)	(6.7%)
OTHER SOURCES:								
OTHER FEES & ASSESSMENTS	1,104	1,259	1,426	1,815	253	1,679	420	33.4%
INVESTMENT INTEREST	797	350	600	1,306	200	800	450	128.6%
AUXILIARIES	10,851	11,012	10,962	11,151	567	11,529	517	4.7%
NON-RECURRING CARRYFORWARD SAVINGS	0	0	0	0	6,205	6,205	6,205	0.0%
ALLOCATED BALANCES - PO's	1,956	2,800	2,800	2,293	(97)	2,703	(97)	(3.5%)
ALLOCATED BALANCES - OTHER	0	1,050	900	900	233	1,133	83	7.9%
ALLOCATED BALANCES	1,956	3,850	3,700	3,193	136	3,836	(14)	(0.4%)
FOUNDATION PROGRAMS	9,281	10,131	10,637	10,637	(145)	10,492	361	3.6%
SUBTOTAL OTHER SOURCES	23,989	26,602	27,325	28,102	7,216	34,541	7,939	29.8%
TOTAL REVENUE - CURRENT OPERATIONS	169,292	181,481	178,083	178,226	8,745	186,828	5,347	2.9%
RESTRICTED PROGRAMS (NET OF OPERATIONS)	53,700	56,200	56,200	55,200	600	56,800	600	1.1%
TOTAL OPERATING INCOME BUDGET	222,992	237,681	234,283	233,426	9,345	243,628	5,947	2.5%

New Jersey Institute of Technology
FY 2007 Operating Budget
(\$000's)

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		FY06	FY06	FY06	FY07	FY07	FY07 BUDGET	
		ORIGINAL	REVISED	PROJECTED	PROPOSED	PROPOSED	TO FY06 ORIGINAL BUDGET	
	FY05	OPERATING	OPERATING	YEAR-END	BUDGET	OPERATING		
	YEAR-END	BUDGET	BUDGET	@ 7/7/06	ADJUSTMENTS	BUDGET	\$	%
EXPENSE DETAIL - CURRENT OPERATIONS								
PERSONNEL								
ACADEMIC & PROGRAM AREA SALARIES	69,308	72,600	70,273	69,995	3,605	73,878	1,278	1.8%
ACADEMIC & PROGRAM AREA FRINGE BENEFITS	17,573	20,471	18,740	18,181	1,951	20,691	220	1.1%
TOTAL ACADEMIC AREA	86,881	93,071	89,013	88,176	5,556	94,569	1,498	1.6%
SUPPORT AREA SALARIES	16,960	18,000	17,723	17,556	647	18,370	370	2.1%
SUPPORT AREA FRINGE BENEFITS	4,554	5,500	5,329	4,779	(19)	5,310	(190)	(3.5%)
TOTAL SUPPORT AREA	21,514	23,500	23,052	22,335	628	23,680	180	0.8%
TOTAL PERSONNEL	108,395	116,571	112,065	110,511	6,184	118,249	1,678	1.4%
NON - PERSONNEL								
EQUIPMENT	1,919	2,585	2,510	1,990	535	3,045	460	17.8%
UTILITIES - PHYSICAL PLANT	5,192	6,036	5,918	5,978	1,350	7,268	1,232	20.4%
GENERAL OPERATING EXPENSES	23,187	23,086	21,649	20,716	(718)	20,931	(2,155)	(9.3%)
LIBRARY COLLECTIONS	1,275	1,144	1,062	1,062	48	1,110	(34)	(3.0%)
STUDENT AID	11,272	12,789	12,242	12,281	1,230	13,472	683	5.3%
MANDATORY TRANS. - DEBT SERVICE	9,717	9,735	9,796	9,794	775	10,571	836	8.6%
NON-MANDATORY TRANS.	4,238	1,870	2,000	11,641	2,946	4,946	3,076	164.5%
PRIOR YEAR COMMITMENTS (ALLOCATED BALANCES)	1,956	3,200	3,200	2,293	(497)	2,703	(497)	(15.5%)
TOTAL NON - PERSONNEL	58,756	60,445	58,377	65,755	5,669	64,046	3,601	6.0%
RE-INVESTMENT PROGRAM	2,141	2,466	1,960	1,960	743	2,703	237	9.6%
ADDITIONAL RE-INVESTMENT FUNDS	0	219	0	0	0	0	(219)	(100.0%)
UNIVERSITY WIDE BUDGET RESERVES	0	1,780	5,681	0	(3,851)	1,830	50	2.8%
TOTAL RESERVES	2,141	4,465	7,641	1,960	(3,108)	4,533	68	1.5%
TOTAL EXPENSES - CURRENT OPERATIONS	169,292	181,481	178,083	178,226	8,745	186,828	5,347	2.9%
RESTRICTED PROGRAMS (NET OF OPERATIONS)	53,700	56,200	56,200	55,200	600	56,800	600	1.1%
TOTAL OPERATING EXPENSES	222,992	237,681	234,283	233,426	9,345	243,628	5,947	2.5%
NET	0	0	0	-	0	0		



FY08 and Beyond Budget Planning

- Faculty Separation Incentive Program (recurring savings)
- Close 240 MLK facility (recurring savings)
- Rehab 240 MLK (recurring revenue)
- Cell phone tower site rental (recurring revenue)



FY07 Plant Fund	
Project/Tuition Rate Increase	7%
Warren St. Prop/demo	\$2,500
Renovate Fleisher Gym	\$1,200
SOA Studio	\$1,100
Cypress Fire Alarm	\$350
Classrooms	\$150
Acad Depts	\$200
Kupfrian Air Handler	\$300
Cypress Elevators	\$160
Other Maintenance	\$500
Total	\$6,460
Plant Fund FY06 Balance	\$2,300
Plant Fund FY07 Allocation	\$3,056
Private Fund Transfer	\$1,200
Plant Fund FY07 Balance	\$96



NJIT one of *America's* 150 Best Value Colleges



- Academics, tuition, GPA, financial aid, student borrowing
- 73% of need-based aid packages include some form of grant or scholarship
- 82% of aid recipient's demonstrated need met
- 100% of demonstrated need met for 12% of aid recipients
- Targeted non-need based aid for outstanding skills
- Targeted aid for students from under-represented groups