

# New Jersey Institute of Technology

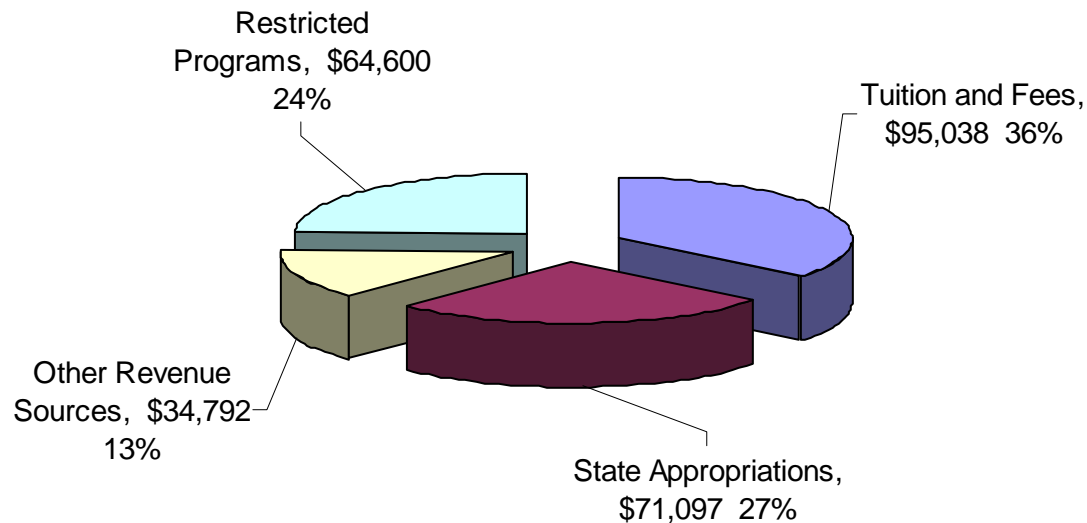
FY2008 Proposed Operating and Capital Budgets

July 16, 2007

# New Jersey Institute of Technology

## FY2008 Revenue Operating Budget

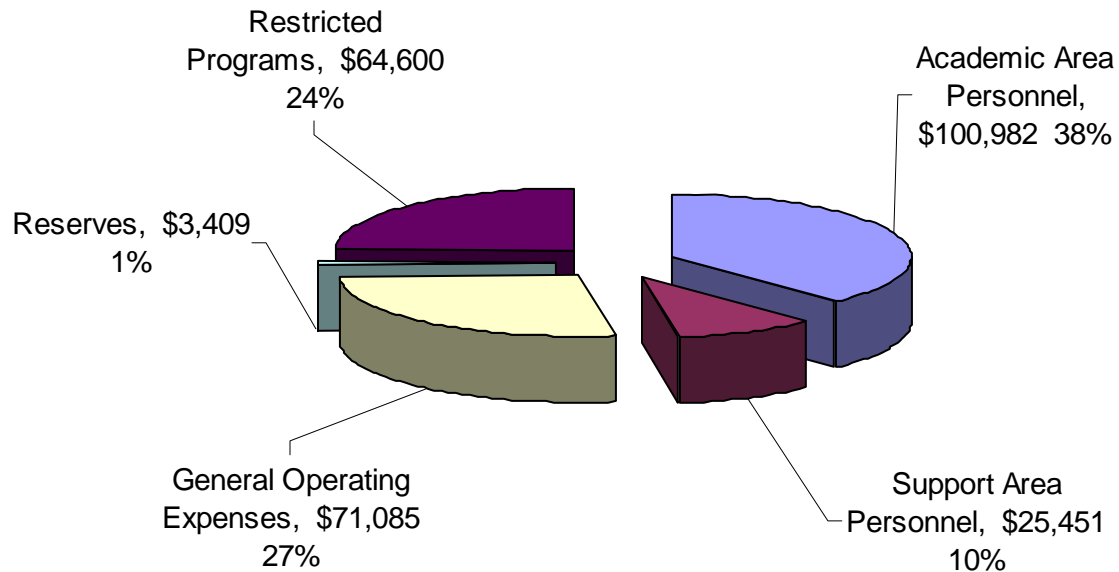
Revenue = \$265,527  
(\$000's)



# New Jersey Institute of Technology

## FY2008 Expenses Operating Budget

Expenses = \$265,527  
(\$000's)



# New Jersey Institute of Technology

## FY2008 Budget Highlights

- Increase in base State funding totaling \$1.3 million
- Partial State funding of FY07 salary program carry forward and no State funding of FY2008 salary program, resulting in an unfunded net cost of \$4.5 million
- 14 tenured faculty members accepted the faculty separation incentive program with annual salaries of \$1.8 million
- \$4.8 million increase due to AY06/07 enrollment growth
- Conservative, no growth in new students for AY07/08
- \$6.6 million additional revenue generated from 7% tuition (price) increase for In-State Students (undergraduate and graduate)

# New Jersey Institute of Technology

## FY2008 Budget Highlights cont.

- 15% increase in required fees, primarily supporting additional investments in technology, athletics, and facilities debt service
- 17% increase in student awards (including strategic plan allocations)
- Continued investment in Strategic Priorities (\$1.4 million)
- \$1.1 million increase in required debt service
- 0.23% of the recurring operating budget built on non-recurring funds compared to 1.7% for FY2007
- Modified residence hall room configurations (54 fewer beds) and limited rate increase (2%) to meet external competition
- 5% continued steady growth in restricted grants and contracts

# New Jersey Institute of Technology

## Analysis of FY2008 Proposed Budget - Summary (\$000's)

	FY07 Original Operating Budget	FY08 Proposed Operating Budget	\$Δ	%Δ
Base Operating Appropriation	\$47,182	\$48,490	\$1,308	2.8%
Salary Program	\$0	\$607	\$607	1.3%
<b>Sub-Total -State Support</b>	<b>\$47,182</b>	<b>\$49,097</b>	<b>\$1,915</b>	<b>4.1%</b>
Tuition+Fee Revenue	\$83,605	\$95,038	\$11,433	13.7%
<b>Sub-Total State Support and Tuition &amp; Fee</b>	<b>\$130,787</b>	<b>\$144,135</b>	<b>\$13,348</b>	<b>10.2%</b>
<b><u>Additional Expenses:</u></b>				
Recurring:	Personnel		\$6,048	
	Non-Personnel		\$2,287	
Non-Recurring:	Personnel		\$242	
	Non-Personnel		\$795	
One-Time Payoff			\$3,149	
<b>Sub-Total Additional Expenses</b>			<b>\$12,521</b>	
<b>Net Available</b>			<b>\$827</b>	

# New Jersey Institute of Technology

## Analysis of FY2008 Proposed Budget Summary of One-Time Funds<sup>1</sup> Needed (\$000's)

	<u>FY07</u>	<u>FY08</u>	<u>\$Δ</u>	<u>%Δ</u>
Base Operating Appropriation	\$47,182	\$48,490	\$1,308	2.8%
Salary Program	\$0	\$607	\$607	1.3%
<b>Total</b>	<b>\$47,182</b>	<b>\$49,097</b>	<b>\$1,915</b>	<b>4.1%</b>
Tuition+Fee Revenue	\$83,605	\$95,038	\$11,433	13.7%
<b>Total</b>	<b>\$130,787</b>	<b>\$144,135</b>	<b>\$13,348</b>	<b>10.2%</b>
Additional Expenses			(\$9,372)	
FY07 One-Time Fund Payoff			(\$3,149)	
Variance -- surplus/(shortfall)			\$827	
FY07 One-Time Carryforward			(\$5,097)	
Transfer to Plant			\$3,800	
<b>FY08 One-Time Funds in Budget</b>			<b>(\$470)</b>	

<sup>1</sup> One-time funds negative

# New Jersey Institute of Technology

## Analysis of FY2008 Proposed Budget - Detail (\$000's)

	<u>FY07</u>	<u>FY08</u>	<u>\$Δ</u>	<u>%Δ</u>
Base Operating Appropriation	\$47,182	\$48,490	\$1,308	2.8%
Salary Program	\$0	\$607	\$607	1.3%
<b>Total</b>	<b>\$47,182</b>	<b>\$49,097</b>	<b>\$1,915</b>	<b>4.1%</b>
Tuition+Fee Revenue	\$83,605	\$95,038	\$11,433	13.7%
<b>Total</b>	<b>\$130,787</b>	<b>\$144,135</b>	<b>\$13,348</b>	<b>10.2%</b>
<b>Additional Expenses:</b>				
1. Salary Program			<u>(\$5,050)</u>	
2. Critical Personnel Restorations:				
Dean NCE			(\$240)	
Special Lecturers			(\$107)	
HVAC Controls Specialist			(\$90)	
Residence Hall Coordinators (2 FTE's)			(\$80)	
Custodian (3 FTE's)			(\$80)	
Environmental Hygienist			(\$50)	
Psychologist			(\$48)	
<b>Total Critical Restorations</b>			<u>(\$695)</u>	

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# New Jersey Institute of Technology

## Analysis of FY2008 Proposed Budget - Detail (Continued)

(\$000's)

	<u>\$Δ</u>
<b>3. Required Increases</b>	
<b>Academic Affairs / Recruitment</b>	
Academic Affairs Faculty Start - Up (Non-Recurring)	(\$546)
Graduate Studies - PHD Fellowship Rate Increase (year 4 of 5)	(\$248)
Academic Affairs - Adjuncts - FSIP Impact (Non-Recurring)	(\$175)
Goal Quest Recruitment Package - Year 3	(\$75)
Concrete Match (Non-Recurring)	(\$67)
SOA NAAB Site Visit (Non-Recurring)	(\$40)
NCE ABET Visit (Non-Recurring)	(\$37)
<b>Subtotal Academic Affairs</b>	<b>(\$1,188)</b>
Debt Service	(\$948)
Utilities	(\$787)
Athletics - Strategic Plan	(\$660)
Capital Campaigns (Non-Recurring)	(\$172)
Insurance	(\$131)
<b>Subtotal Other Required Increases</b>	<b>(\$2,698)</b>
<b>Total Required Increases</b>	<b>(\$3,886)</b>
<b>4. Other Changes</b>	<b>\$259</b>
<b>Total Additional Expenses</b>	<b>(\$9,372)</b>
<b>FY07 One-Time Fund Payoff</b>	<b>(\$3,149)</b>
<b>Variance -- Surplus/ (Shortfall)</b>	<b>\$827</b>
<b>Plus: One-Time Carryforward</b>	<b>\$5,097</b>
<b>Total Surplus/ (Shortfall)</b>	<b>\$5,924</b>
<b><u>Less:</u></b>	
Transfer to Plant	(\$3,800)
IST Program	(\$1,541)
Endowment	(\$400)
Other	(\$183)
<b>Total Adjustments</b>	<b>(\$5,924)</b>
<b>FY08 Balance</b>	<b>\$0</b>

# New Jersey Institute of Technology

## FY2008 Budget Development Review of Tuition Revenue (\$000's)

	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>
Base Tuition	\$ 47,945	\$ 52,911	\$ 55,551	\$ 60,011	\$ 64,800	\$ 67,062	\$ 76,857
Gross Tuition Increase %	6.9%	9.7%	8.5%	8.0%	7.0%	7.0%	7.0%
Gross Tuition Increase \$	\$ 3,308	\$ 5,132	\$ 4,722	\$ 4,801	\$ 4,536	\$ 4,697	\$ 5,380
Less: Additional Student Awards	<u>\$ (454)</u>	<u>\$ (606)</u>	<u>\$ (1,139)</u>	<u>\$ (1,714)</u>	<u>\$ (827)</u>	<u>\$ (1,770)</u>	<u>\$ (2,289)</u>
Net Additional Tuition \$	\$ 2,854	\$ 4,526	\$ 3,583	\$ 3,087	\$ 3,709	\$ 2,927	\$ 3,091
Actual % Yield From Rate Increase	6.0%	8.6%	6.4%	5.1%	5.7%	4.4%	4.0%
Tuition Increase Discount %	13.7%	11.8%	24.1%	35.7%	18.2%	37.7%	42.5%

# New Jersey Institute of Technology

**DRAFT**  
**FOR DISCUSSION**  
**Schedule of Tuition & Fees**  
**Actual FY2007 & FY2008**

**EXHIBIT A**

**Summary Change - In-State Full Time Undergraduate**

	<b>ACTUAL</b>		<b>DIFFERENCE</b>	
	<b>FY2007</b>	<b>FY2008</b>	<b>AMOUNT</b>	<b>PERCENT</b>
<b>Full-Time Per Semester Tuition</b>	<b>\$ 4,533</b>	<b>\$ 4,850</b>	<b>\$ 317</b>	<b>7.0%</b>
<b>Full-Time Per Semester Fees</b>	<b>\$ 720</b>	<b>\$ 825</b>	<b>\$ 105</b>	<b>14.6%</b>

# NEW JERSEY INSTITUTE OF TECHNOLOGY

## Schedule of Tuition & Fees

### EXHIBIT A

#### Summary Change - In-State Full Time Undergraduate

	FY 2007	FY 2008	DIFFERENCE	
	<u>Approved</u>	<u>Proposed</u>	<u>AMOUNT</u>	<u>PERCENT</u>
<b>FEES – Per Semester</b>				
<u>Full-Time (12 or More Credits)</u>				
Registration	\$80	\$80	\$0	0.0%
Academic Facilities	325	350	25	7.7%
Technology Infrastructure	110	160	50	45.5%
Student Services	65	65	0	0.0%
Student Senate Activities – Undergraduate	48	53	5	10.4%
Student Senate Activities – Graduate	35	40	5	14.3%
Athletics	70	95	25	35.7%
Health	22	22	0	0.0%
<b>TOTAL UNDERGRADUATE</b>	<b>720</b>	<b>825</b>	<b>105</b>	<b>14.6%</b>
<b>TOTAL GRADUATE</b>	<b>707</b>	<b>812</b>	<b>105</b>	<b>14.9%</b>

# New Jersey Institute of Technology

## Annual Plant Project Budget Estimate

**Total Gross Sq Feet (Million)** 2.6

**Ave \$/sf Replacement Value** \$130

**Replacement Value (\$ Million)** \$338

**APPA recommended Annual  
Plant Project Budget (Based On  
a percentage of Replacement  
Value)**

	%	Dollar Value (\$ Million)
<b>Low</b>	<b>1.50%</b>	<b>\$5.07</b>
<b>High</b>	<b>3.00%</b>	<b>\$10.14</b>

# New Jersey Institute of Technology

## FY 2008 Proposed Facilities Budget/ Cash Disbursements Updated 7/11/07

<u>Resources</u>	<u>FY 2007</u> <u>Approved</u>	<u>FY 2008</u> <u>Proposed</u>	<u>FY2009+</u> <u>Planning</u>
Plant Fund Allocation	5,260	3,800	
Exec Mgt Pgm Revenues		300	
Stabile Gift		300	
Student Senate	300	100	
Enterprise Dev Ctr Income		1,100	
Other			
Fund raising			
Advance of Fund Raising Proceeds/Contributed Services	1,200		
Total Resources	<u>6,760</u>	<u>5,600</u>	<u>0</u>

### Projected Disbursements

#### **Priority/Tactic**

#### ***Develop a core of nationally recognized programs***

Build three programs to national prominence by 2008

Expanded SOA studio space Fall 07		600	
Expanded Arch Studio Space Fall 06	1,100		
SOA Model Shop Relocation			500
Total	<u>1,100</u>	<u>600</u>	<u>500</u>

# New Jersey Institute of Technology

## FY 2008 Proposed Facilities Budget/ Cash Disbursements (cont.)

Updated 7/11/07

	<u>FY 2007</u> <u>Approved</u>	<u>FY 2008</u> <u>Proposed</u>	<u>FY2009+</u> <u>Planning</u>
<b><i>Enhance and enrich the quality of life of the university community</i></b>			
Develop and implement a landscaping/campus appearance enhancement			
Class/Lab Upgrade Expansion			
Particle Labs Relocation, Phase 1		150	
Leir/ Exec. Mgt Conference/lecture room		400	
Concrete Labs		275	
NCE Upgrades		50	
Library space			
Classrooms Upgrades	150		400
Stabile Lab		550	
Tiernan Fume Hood Upgrade 2 labs		150	
Academic Departments	200	200	300
	<u>350</u>	<u>1,775</u>	<u>700</u>
Campus Center			
Upgrade Highlander Club	300	100	150
Food Services Update		250	
Total	<u>300</u>	<u>350</u>	<u>150</u>
Athletics			
Fleisher Gym HVAC Upgrade		50	
Renovate Fleisher Gym, Phase II	1,200		
	<u>1,200</u>	<u>50</u>	<u>0</u>
Total			
<b><i>Become nationally recognized for attracting high achieving</i></b>			
Pre-College Dept Updates/Relocation			
	<u>0</u>	<u>200</u>	<u>0</u>

# New Jersey Institute of Technology

## FY 2008 Proposed Facilities Budget/ Cash Disbursements (cont.)

Updated 7/11/07

	<u>FY 2007</u> <u>Approved</u>	<u>FY 2008</u> <u>Proposed</u>	<u>FY2009+</u> <u>Planning</u>
<b><u>Other Plant Projects</u></b>			
Replace kitchenettes - Oak Hall (1/2)		340	
Emergency Generator Replacement - Central Ave Bldg		80	
Faculty Hall EPA Compliance - Ductwork Replace Air Handler		160	
Upgrade power for Computer Center		410	
Fire Pumps Replacement Redwood Hall		45	
NJDEP Monitoring wells		90	
EDC III Fit Out		1,100	
Kupfrian Air Handler	300		
GITC HVAC Control Upgrade		150	
Cypress Fire Alarm Upgrade	350		
Cypress Elevators Upgrade	160		
Other Projects	500	250	4,000
	<u>1,310</u>	<u>2,625</u>	<u>4,000</u>
Land Acquisition/Paving	<u>2,500</u>		
Total Projected Disbursements	6,760	5,600	5,350
Net	<u>0</u>	<u>0</u>	<u>-5,350</u>

# New Jersey Institute of Technology

## **FY2009 Budget Obligations**

- \$0.47 million one-time funds used to balance FY2008 budget
- FY09 Salary program
- \$1.6 million increase in required debt service
- \$5.4 million in capital projects

# New Jersey Institute of Technology

## FY2008 Revenue Operating Budget

	FY07	FY08	FY08 BUDGET TO FY07	
	ORIGINAL OPERATING BUDGET	PROPOSED OPERATING BUDGET	ORIGINAL BUDGET \$	%
<b><u>INCOME DETAIL - UNRESTRICTED OPERATIONS</u></b>				
REGULAR TUITION	71,758	82,232	10,474	14.6%
REGULAR FEES	9,848	10,973	1,125	11.4%
OTHER TUITION	1,999	1,833	(166)	(8.3%)
<b>SUBTOTAL REGULAR TUITION AND FEES</b>	<b>83,605</b>	<b>95,038</b>	<b>11,433</b>	<b>13.7%</b>
<b><u>GOVERNMENT APPROPRIATIONS:</u></b>				
STATE APPROPRIATION	47,182	48,490	1,308	2.8%
SALARY PROGRAM	0	607	607	0.0%
STATE SUPPORTED FRINGES	21,500	22,000	500	2.3%
<b>TOTAL GOVERNMENT APPROPRIATIONS</b>	<b>68,682</b>	<b>71,097</b>	<b>2,415</b>	<b>3.5%</b>
<b><u>OTHER SOURCES:</u></b>				
OTHER FEES & ASSESSMENTS	1,679	1,820	141	8.4%
INVESTMENTS & UNRESTRICTED GIVING	1,200	1,400	200	16.7%
AUXILIARIES	11,529	11,372	(157)	(1.4%)
NON-RECURRING CARRYFORWARD SAVINGS	6,205	5,097	(1,108)	(17.9%)
ALLOCATED BALANCES - PO's	2,703	3,930	1,227	45.4%
ALLOCATED BALANCES - OTHER	1,133	588	(545)	(48.1%)
ALLOCATED BALANCES	3,836	4,518	682	17.8%
UNRESTRICTED RESEARCH ACTIVITIES	10,092	10,585	493	4.9%
<b>SUBTOTAL OTHER SOURCES</b>	<b>34,541</b>	<b>34,792</b>	<b>251</b>	<b>0.7%</b>
<b>TOTAL REVENUE - CURRENT OPERATIONS</b>	<b>186,828</b>	<b>200,927</b>	<b>14,099</b>	<b>7.5%</b>
<b>RESTRICTED PROGRAMS (NET OF OPERATIONS)</b>	<b>56,800</b>	<b>64,600</b>	<b>7,800</b>	<b>13.7%</b>
<b>TOTAL OPERATING INCOME BUDGET</b>	<b>243,628</b>	<b>265,527</b>	<b>21,899</b>	<b>9.0%</b>

# New Jersey Institute of Technology

## FY2008 Expense Operating Budget

	FY07	FY08	FY08 BUDGET TO FY07	
	ORIGINAL OPERATING BUDGET	PROPOSED OPERATING BUDGET	ORIGINAL BUDGET \$	%
<b><u>EXPENSE DETAIL - CURRENT OPERATIONS</u></b>				
<b><u>PERSONNEL</u></b>				
ACADEMIC & PROGRAM AREA SALARIES	73,878	80,000	6,122	8.3%
ACADEMIC & PROGRAM AREA FRINGE BENEFITS	20,691	20,982	291	1.4%
<b>TOTAL ACADEMIC AREA</b>	<b>94,569</b>	<b>100,982</b>	<b>6,413</b>	<b>6.8%</b>
SUPPORT AREA SALARIES	18,370	20,102	1,732	9.4%
SUPPORT AREA FRINGE BENEFITS	5,310	5,350	40	0.7%
<b>TOTAL SUPPORT AREA</b>	<b>23,680</b>	<b>25,451</b>	<b>1,771</b>	<b>7.5%</b>
<b>TOTAL PERSONNEL</b>	<b>118,249</b>	<b>126,434</b>	<b>8,185</b>	<b>6.9%</b>
<b><u>NON - PERSONNEL</u></b>				
EQUIPMENT	3,045	3,073	28	0.9%
UTILITIES - PHYSICAL PLANT	7,268	8,055	787	10.8%
GENERAL OPERATING EXPENSES	20,931	21,886	955	4.6%
LIBRARY COLLECTIONS	1,110	1,110	0	0.0%
STUDENT AID	13,472	15,461	1,989	14.8%
MANDATORY TRANS. - DEBT SERVICE	10,571	11,639	1,068	10.1%
NON-MANDATORY TRANS.	4,946	5,931	985	19.9%
PRIOR YEAR COMMITMENTS (ALLOCATED BALANCES)	2,703	3,930	1,227	45.4%
<b>TOTAL NON - PERSONNEL</b>	<b>64,046</b>	<b>71,085</b>	<b>7,039</b>	<b>11.0%</b>
RE-INVESTMENT PROGRAM	2,703	1,435	(1,268)	(46.9%)
ADDITIONAL RE-INVESTMENT FUNDS	-	-	0	0.0%
UNIVERSITY WIDE BUDGET RESERVES	1,830	1,974	144	7.9%
<b>TOTAL RESERVES</b>	<b>4,533</b>	<b>3,409</b>	<b>(1,124)</b>	<b>(24.8%)</b>
<b>TOTAL EXPENSES - CURRENT OPERATIONS</b>	<b>186,828</b>	<b>200,927</b>	<b>14,099</b>	<b>7.5%</b>
<b>RESTRICTED PROGRAMS (NET OF OPERATIONS)</b>	<b>56,800</b>	<b>64,600</b>	<b>7,800</b>	<b>13.7%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>243,628</b>	<b>265,527</b>	<b>21,899</b>	<b>9.0%</b>