

DRAFT
New Jersey Institute of Technology

FY2010 Proposed Budget

As of 7/5/2009

Submitted to Audit and Finance Committee, Board of Trustees

DRAFT New Jersey Institute of Technology

FY2010 Budget Overview

- \$3.0 million in Federal (one-time) stimulus funds, restoring FY10 Governor's proposed appropriation reduction and resulting in an increase of \$752K above the adjusted FY09 appropriation
- Enrollment increase resulting in \$6.1 million of additional tuition & fee revenue
- \$3.2 million in additional tuition & fee revenue generated from a 3% academic year tuition and required fee increase
- 17% increase in student awards consistent with Strategic Priority-*Be nationally recognized for attracting high achieving students*
- Implement an FY10 faculty recruitment plan (result of Faculty Separation Incentive Plan; reallocation; new program enrollment demand) that includes 23 faculty hires, including start-up packages that total \$2.2 million
- No State funding of FY10 salary program (3.5% ATB delayed to 1/1/11; 1.75% merit 7/1/09)

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FY2010 Budget Overview (cont.)

- Includes \$2.7 million in State-mandated personnel expenditure reductions
- Residence hall rate increase of 3.0%
- Projected 6% increase (\$535K) in utilities
- Additional \$3.0 million to support facility projects for a total of \$6.0 million
- 5% continued steady growth in restricted grants and contracts

FY10-FY12 Projected Salary Increase Obligation Based on FY10 Appropriation Language

Fiscal Year	Period	July 1		1-Jan		Annualized Total
		ATB	Merit	ATB	Merit	
FY10	July 1, 2009- June 30, 2010	0.00%	1.75%			1.75%
FY11*	July 1, 2010- June 30, 2011	3.50%	1.75%	1.75%		7.00%
FY12**	July 1, 2011- June 30, 2012	1.75%	1.75%			3.50%
* Includes half of FY10 delayed ATB						
** Includes remaining half of FY10 delayed ATB; does not include ATB adjustment for new						

New Jersey Institute of Technology
FY2010 Budget Development
Scorecard @ 7/5/09
(\$000's)

		<u>Revenue</u>	<u>Personnel</u>	<u>Non</u>	<u>Total</u>	
<u>Group:</u>		<u>Budget</u>	<u>Budget</u>	<u>Personnel</u>	<u>Expense</u>	<u>Net Change</u>
				<u>Budget</u>	<u>Budget</u>	
	FY09 Mid-Year Adjusted Budget	\$206,630	\$130,813	\$75,817	\$206,630	\$0
	<u>FY2010 Adjustments</u>					
1)	State Appropriation	\$752			\$0	\$752
	State Salary Program	\$0			\$0	\$0
	Subtotal Appropriation	\$752	\$0	\$0	\$0	\$752
2)	Subtotal Enrollment Change	\$6,138	\$0	\$0	\$0	\$6,138
3)	Subtotal Tuition & Required Fee Rate Change	\$3,248	\$0	\$0	\$0	\$3,248
4)	Subtotal Other Tuition	\$123	\$0	\$0	\$0	\$123
5)	Subtotal FY08 Carryforward to FY09 Recurring	(\$4,898)	\$0	\$0	\$0	(\$4,898)
6)	Residence Halls	\$384			\$0	\$384
	FY2009 Year End Fund Balance Carryforward	TBD			\$0	\$0
	Per Occurance Fees - Changes to Base	(\$93)			\$0	(\$93)
	Auxiliaries	\$100			\$0	\$100
	EMBA Program	(\$300)			\$0	(\$300)
	Unrestricted Giving	\$400			\$0	\$400
	Architecture Exam	(\$27)			\$0	(\$27)
	Indirect Cost Recovery	\$378			\$0	\$378
	Investment Income	(\$700)			\$0	(\$700)
	CPE & Research Business Centers - Revenue Δ	(\$635)			\$0	(\$635)
6)	Subtotal Other Revenue Sources	(\$493)	\$0	\$0	\$0	(\$493)

	<u>Revenue</u> <u>Budget</u>	<u>Personnel</u> <u>Budget</u>	<u>Non</u> <u>Personnel</u> <u>Budget</u>	<u>Total</u> <u>Expense</u> <u>Budget</u>	<u>Net Change</u>	
7)	FY10 Salary Program		\$1,535		\$1,535	(\$1,535)
8)	FY10 Faculty Commitments - Salary		\$1,488		\$1,488	(\$1,488)
	FY10 New Faculty Not Current Committed - Salary		\$252		\$252	(\$252)
	FY10 Faculty Vacancies		(\$1,274)		(\$1,274)	\$1,274
	Instructional Reserve		\$600		\$600	(\$600)
	FY09 One-Time Supplemental Adjuncts		(\$400)		(\$400)	\$400
	CPE & Research Business Centers - Personnel Δ		\$95		\$95	(\$95)
	Salary Turnover		(\$400)		(\$400)	\$400
	Hourly Students		(\$102)		(\$102)	\$102
	Students - Redsitribution of Start Up & Operating Accounts to OTP Budgets		(\$450)		(\$450)	\$450
	Hourly / Temporary Staff		(\$67)		(\$67)	\$67
	FY09 Sabbatical Reversal		\$278		\$278	(\$278)
	FY10 Sabbatical Savings		(\$125)		(\$125)	\$125
8)	Subtotal Other Salary Adjustments	\$0	(\$105)	\$0	(\$105)	\$105
9)	State Mandated Personnel Costs		(\$2,700)		(\$2,700)	\$2,700
10)	Subtotal FY08 Carryforward to FY09 One-Time	\$0	\$0	(\$2,445)	(\$2,445)	\$2,445

	<u>Revenue</u> <u>Budget</u>	<u>Personnel</u> <u>Budget</u>	<u>Non</u> <u>Personnel</u> <u>Budget</u>	<u>Total</u> <u>Expense</u> <u>Budget</u>	<u>Net Change</u>
11) Reclass FY09 FSIP Start - Up Budget to Salary			(\$750)	(\$750)	\$750
FY10 Start - Up Budget			(\$415)	(\$415)	\$415
FY10 Faculty Commitments - Start Up			\$397	\$397	(\$397)
FY10 New Faculty Not Current Committed - Start Up			\$67	\$67	(\$67)
FY09 One-Time Supplemental Adjuncts			\$400	\$400	(\$400)
Students - Redsitribution of Start Up & Operating Accounts from Personnel Budgets			\$450	\$450	(\$450)
Student Awards			\$2,279	\$2,279	(\$2,279)
Student Awards - UG Tuition Increase			\$172	\$172	(\$172)
Student Awards - GR Tuition Increase			\$107	\$107	(\$107)
CPE & Research Business Centers - Expense Δ			(\$824)	(\$824)	\$824
Facilities Projects			\$3,000	\$3,000	(\$3,000)
Big Bear Solar Observatory			\$31	\$31	(\$31)
EMBA Program			(\$300)	(\$300)	\$300
Transfers to the Foundation at NJIT			\$400	\$400	(\$400)
Learning Center			\$25	\$25	(\$25)
Utilities			\$535	\$535	(\$535)
Debt Service			\$230	\$230	(\$230)
University Advancement Campaign/Marketing			\$727	\$727	(\$727)
SOA New Programs			(\$190)	(\$190)	\$190
University Reserve			\$407	\$407	(\$407)
11) Subtotal General Non Personnel	\$0	\$0	\$6,748	\$6,748	(\$6,748)
12) Supplemental Contingency Budget			\$1,837	\$1,837	(\$1,837)
Total Adjustments	\$4,870	(\$1,270)	\$6,140	\$4,870	\$0
Prior Year Allocated Balance	\$2,408		\$2,408	\$2,408	
Total FY2010 Budget	\$213,908	\$129,543	\$84,365	213,908	\$0
Restricted Budget	\$71,222			\$71,222	
TOTAL	\$285,130			\$285,130	

Budget Development Model
Budget Projections FY2010, FY2011, and FY2012
(Based on Scorecard Scenario 3)
As of 7/8/09
(\$000's)

	FY10 Proposed Budget	FY11 Δ From FY10 Budget	FY11 Proposed Budget	FY12 Δ From FY11 Budget	FY12 Proposed Budget
<u>State Appropriation</u>					
State Appropriation	42,125		42,125		42,125
Salary Program	-		-		-
Stimulus \$ (A)	3,009	(3,009)	-	-	-
Total Appropriation	45,134	(3,009)	42,125	-	42,125
<u>Tuition & Required Fees</u>					
Total Tuition & Required Fees	114,101	10,882	124,983	11,943	136,926
Carryforward	(4,898)	1,837			
Total Other Revenue Sources (Grants & Contracts)	57,163		54,102		54,102
Total Revenue	211,500	9,710	221,210	11,943	233,153
<u>Personnel</u>					
Salaries	102,332		103,762		110,146
Salary Program (D)	1,535	6,384	6,384	3,347	3,347
Other Salary Adjustments	(105)		-		-
State-Mandated Salary Reduction (1 Time) (E)	(2,700)	2,700	-		-
Total Fringe Benefits	28,481		28,481		28,481
Total Personnel	129,544	9,084	138,628	3,347	141,975
<u>Non Personnel</u>					
FY08 One-Time Carryforward	(2,445)				
General Non Personnel (F)	82,565	3,205	85,161	3,406	88,568
FY11 Reserve	1,837				
Total Non Personnel	81,957	3,205	85,161	3,406	88,568
Total Expense	211,500	12,289	223,789	6,753	230,542
Total Net	(0)	(2,579)	(2,579)	5,190	2,610
Cummulative Net	(0)	-	(2,579)	-	31

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Review of Annual Operating Budget FY2003 - FY2010

	State Request	Base State Appro.	Fiscal Year Shortfall	% Fiscal Year Shortfall	Tuition/Fee Revenue	Tuition/Fee Revenue Increase	Annual % Increase Tuition	% Tuition Cap
FY03	55,896	49,621	(6,275)	-11.2%	67,596	5,218	9.7	-
FY04	52,367	48,690	(3,677)	-7.0%	72,777	5,181	8.5	9.0
FY05	51,526	50,112	(1,414)	-2.7%	74,462	1,685	8.0	8.0
FY06	53,131	51,512	(1,619)	-3.0%	80,024	5,562	7.0	8.0
FY07	56,564	47,132	(9,432)	-16.7%	83,605	3,581	7.0	8.0
FY08	50,209	49,097	(1,112)	-2.2%	95,038	11,433	7.0	-
FY09	53,238	43,958	(9,280)	-17.4%	106,336	11,298	8.2	-
Cumulative (FY03-FY09)			(32,809)					
FY10	47,872	45,134	(2,738)	-5.7%	114,967	8,631	3.0	3.0

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FY2010 Revenue Operating Budget

	FY2008	FY2009	FY2010
	<u>Committed</u>	<u>Projected</u> <u>Commitments</u>	<u>Proposed</u> <u>Budget</u>
INCOME DETAIL - UNRESTRICTED OPERATIONS			
REGULAR TUITION	81,285	89,860	98,252
REGULAR FEES	11,361	13,884	15,182
OTHER TUITION	2,854	2,592	1,533
SUBTOTAL REGULAR TUITION	95,499	106,336	114,967
<u>STATE APPROPRIATIONS:</u>			
STATE APPROPRIATION	48,490	42,685	45,134
SALARY PROGRAM	607	1,273	-
STATE SUPPORTED FRINGES	22,020	23,791	24,136
TOTAL STATE APPROPRIATIONS	71,117	67,748	69,270
<u>OTHER SOURCES:</u>			
OTHER FEES & ASSESSMENTS	2,116	2,133	1,885
INVESTMENTS & UNRESTRICTED GIVING	3,008	2,302	1,600
AUXILIARIES	12,210	12,454	12,744
NON-RECURRING CARRYFORWARD SAVINGS			
ALLOCATED BALANCES	2,752	1,300	2,408
UNRESTRICTED RESEARCH ACTIVITIES	11,121	11,267	11,034
SUBTOTAL OTHER SOURCES	31,208	29,457	29,671
TOTAL REVENUE - CURRENT OPERATIONS	197,824	203,541	213,908
RESTRICTED PROGRAMS (NET OF OPERATIONS)	64,439	67,830	71,222
TOTAL OPERATING INCOME BUDGET	262,263	271,371	285,130

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FY2010 Expense Operating Budget

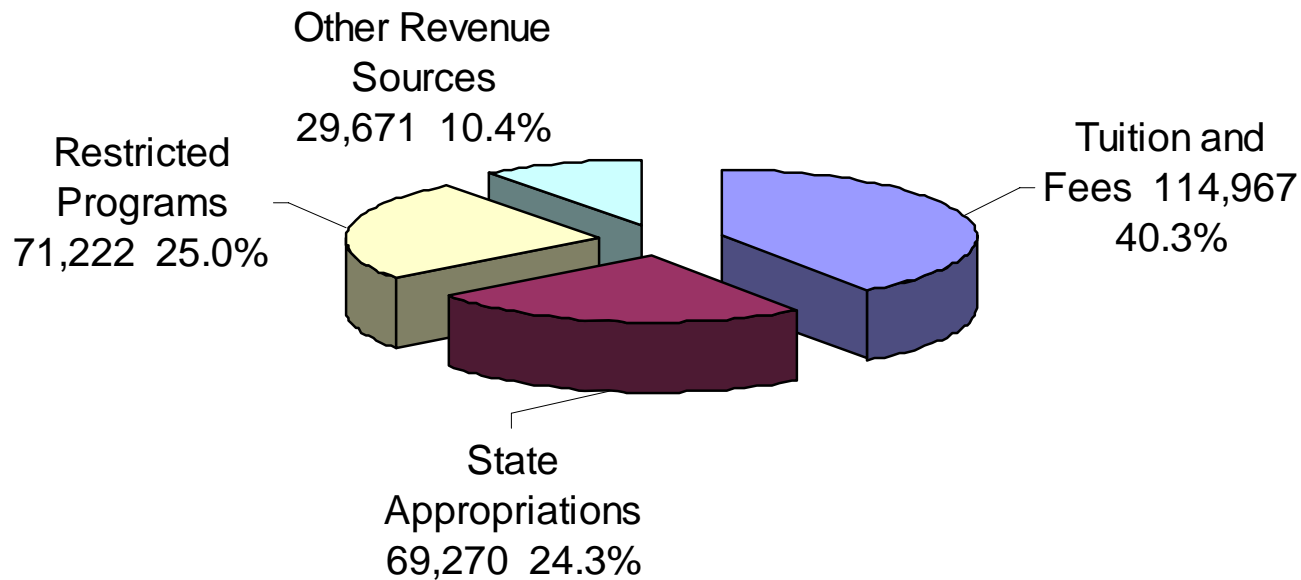
	FY2008	FY2009	FY2010
	<u>Committed</u>	<u>Projected</u> <u>Commitments</u>	<u>Proposed</u> <u>Budget</u>
ACADEMIC & PROGRAM AREA SALARIES	77,073	80,222	81,000
ACADEMIC & PROGRAM AREA FRINGE BENEFITS	20,495	22,377	22,741
TOTAL ACADEMIC AREA	97,569	102,599	103,741
SUPPORT AREA SALARIES	19,666	20,257	19,426
SUPPORT AREA FRINGE BENEFITS	5,230	5,650	5,742
TOTAL SUPPORT AREA	24,896	25,907	25,168
TOTAL PERSONNEL	122,464	128,506	128,909
<u>NON-PERSONNEL</u>			
RESTRICTED USE BUDGETS:			
UTILITIES	8,613	9,731	10,311
INSURANCE	2,013	1,615	2,086
LIBRARY COLLECTIONS	1,159	1,119	1,084
STUDENT AWARDS	15,957	17,403	20,279
REST. TRANS.,DEBT SVC. & OTHER	20,788	19,525	21,553
COST REC. & CHG. BACKS	(458)	(406)	(554)
SUBTOTAL RESTRICTED USE BUDGETS	48,072	48,987	54,759
GENERAL OPERATING BUDGETS:			
EQUIPMENT	2,698	3,137	3,346
MATERIALS/SUPPLIES	2,542	2,642	2,631
TRAVEL/CONFERENCES	2,654	2,527	2,517
PROFESSIONAL SERVICES	5,563	6,238	6,213
FACILITY MAINTENANCE, REPAIRS, RENTALS & LEASES	4,245	4,246	4,229
COMPUTER HARDWARE, SOFTWARE, AND MAINTENANCE	1,170	1,178	1,173
GENERAL ADVERTISING	888	1,001	997
OTHER OPERATING EXPENSES	4,348	3,905	3,889
SUBTOTAL GENERAL OPERATING EXPENSES	24,107	24,874	24,995
PRIOR YEAR COMMITMENTS (ALLOCATED BALANCES)	2,752	1,300	2,408
TOTAL NON-PERSONNEL	74,932	75,160	82,162
UNIVERSITY RESERVE			1,000
FY11 RESERVE	-	-	1,837
TOTAL OPERATING EXPENSE BUDGET	197,396	203,667	213,908
RESTRICTED PROGRAMS (NET OF OPERATIONS)	64,439	67,830	71,222
TOTAL OPERATING EXPENSES	261,834	271,497	285,130

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FY2010 Revenue Operating Budget

Revenue = \$285,130

(\$000's)

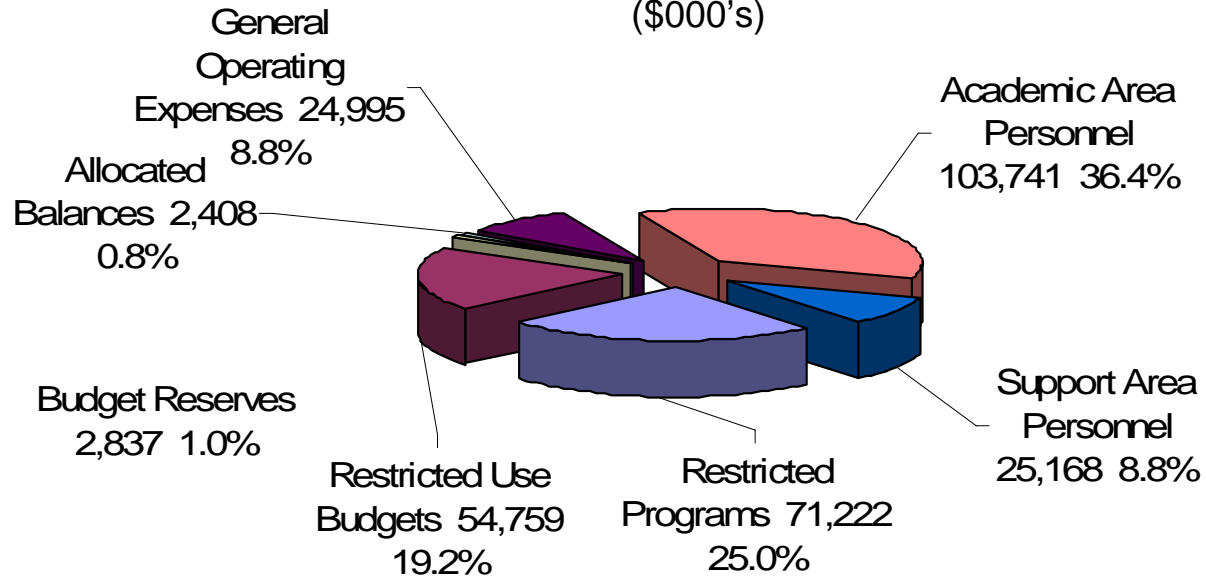


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FY2010 Expenses Operating Budget

Expenses = \$285,130

(\$000's)



**NEW JERSEY INSTITUTE OF TECHNOLOGY
PROPOSED TUITION & FEE SCHEDULE 2009 - 2010**

Attachment A

UNDERGRADUATE	RESIDENT	NON-RESIDENT
Less than 12 credit hours per semester	\$412	\$879
12 to 19 credit hours per semester	5,408	10,280
Each credit hour over 19	412	879
GRADUATE		
Full-time	7,100	10,084
Part-time	772	1,064
SUMMER SESSION 2010		
Undergraduate	412	879
Graduate	772	1,064
ON-LINE PROGRAM TUITION:		
Graduate 100% Distance Learning		863
EXECUTIVE MANAGEMENT PROGRAM		
Program cost includes tuition, fees and materials: \$47,500		
ROOM AND BOARD: Typical average academic year cost is \$9,828		

FY10 Capital Projects

Priority	Project Description	Preliminary Cost Estimate	External Funding	Net Preliminary Cost Estimate	Cumulative Budget
1	FY 2009 Studios Campbell and Weston Hall	\$ 780,000		\$ 780,000	\$ 780,000
2	Biology	\$ 250,000		\$ 250,000	\$ 1,030,000
3	Capital Improvement Projects - Phase I	\$ 1,560,000		\$ 1,560,000	\$ 2,590,000
4	Tennis Court Enclosure	\$ 2,060,000	\$500,000	\$ 1,560,000	\$ 4,150,000
5	Jim Wise Library - Work Space	\$ 30,000		\$ 30,000	\$ 4,180,000
6	Basketball Locker Rooms Renovation	\$ 300,000	\$300,000	\$ -	\$ 4,180,000
7	CAPE - Upper Level Renovation	\$ 270,000		\$ 270,000	\$ 4,450,000
8	Fenster 2nd Floor Classrooms	\$ 1,550,000		\$ 1,550,000	\$ 6,000,000
9	Capital Improvement Projects - Phase II	\$ 1,440,000		\$ 1,440,000	\$ 7,440,000
10	Hotel Supply Demo/Parking	\$ 1,200,000		\$ 1,200,000	\$ 8,640,000
11	CAPE - Lower Level Renovation	\$ 155,000		\$ 155,000	\$ 8,795,000
12	Cypress Basement IDEA Factory	\$ 50,000		\$ 50,000	\$ 8,845,000
13	Admissions/Int Students	\$ 85,000		\$ 85,000	\$ 8,930,000
14	Telecom Expansion	\$ 94,750		\$ 94,750	\$ 9,024,750
15	Eberhardt Kitchen	\$ 618,701		\$ 618,701	\$ 9,643,451
16	Cypress Basement Medical	\$ 423,000		\$ 423,000	\$ 10,066,451
	Total	\$ 10,866,451	\$800,000	\$ 10,066,451	\$ 10,066,451