

# New Jersey Institute of Technology

FY2020 Operating and Capital Budget

Public Hearing Presentation

July 8, 2019

# FY2020 Budget Development - External Factors

## Some external factors which impact FY20 Budget:

**Positive** - R1 Carnegie Classification (Very High Research Activity)

**Positive** - Increased 34 spots in 2019 US News & World Report Best Colleges Ranking (106<sup>th</sup> in the National Universities category)

**Positive** - Ranked #1 nationally for colleges with the highest upward mobility rates (Forbes) – April 2018

**Positive** - Expanding partnerships/articulation agreements with other institutions beyond our traditional partners (nationally & internationally)

**Positive** - Increased State Aid: Tuition Aid Grants (TAG) +1.2% and Educational Opportunity Fund Programs (EOF) +8.1%

**Positive** - State Base Appropriation increased by \$1.2M (3.1%) (first base increase in the last 12 years) and \$3.7M State funded supplemental appropriation

**Negative** - International student enrollment continues to be a challenge. Enrollment peaked in Fall 2015 and has declined by 368 (19.5%) through Fall 2018.

**Negative** - Outmigration of students from State of NJ (average of 31,788 annually since 2006 or approximately 42% of college aged students)

**Negative** - 2020 Federal Budget

# FY2020 Budget Development Revenue Highlights

- Overall balanced budget totaling \$598.8M, which is \$40.3M above FY19 Year-End Projections
- \$10.3M (5.1%) increase to Tuition and Fees due an enrollment increase of 3.7%, (Fall 2019 enrollment 11,985) and anticipating a 1.94% Tuition and Fee rate increase (slide 6)
- \$1.2M (3.1%) increase to State Appropriation which includes a net increase for outcomes based allocation. \$3.7M for Medical Devices Innovation Cluster year 2 appropriation (same appropriation included in FY19 base). Total FY20 State Appropriation = \$40.355M.
- \$3.1M (5.0%) increase to State Supported Fringe Benefits
- \$0.9M (4.0%) anticipated increases to Residence Halls, Greek Village, and meal plan commissions. Residence Halls includes a projected occupancy of 99.9% (2,046 beds filled including 165 triples) with a weighted average room and board rate increase of 1.4%
- \$2.2M (7.3%) primarily due to an increase in allocated balances (prior year purchase orders)
- \$13.9M (48%) anticipated increase in NJIT Operations (Unrestricted + Restricted)
- \$8.7M (5.0%) anticipated increase in NJIT Restricted Programs

## FY2020 Budget Development Expense Highlights

- \$7.1M (4.8%) anticipated personnel increases resulting from estimated salary program, minimum wage increase, faculty and staff recruitment, and increases for adjuncts due to enrollment growth
- \$3.2M (4.9%) increase to Fringe Benefits
- \$3.8M (5.9%) non-personnel increases related to YWCC @ Jersey City, NJIT/OCC/Tatweer (Egypt), VentureLink (EDC), Research support, conferencing services, and an increase to allocated balances (prior year PO's)
- \$3.8M (10.7%) in Student Awards due to an anticipated enrollment increase of 3.7% and a projected freshmen class SAT average of approximately 1300
- \$24.4M in capital projects budgets (+21.2%) facilities and IT infrastructure projects (slide 10)
- (\$0.2M) 1.0% net savings to Debt Service
- \$13.9M (48%) anticipated increase in NJIT Operations (Unrestricted + Restricted)
- \$8.7M (5.0%) anticipated increase in NJIT Restricted Program Expenses
- Establishes a \$3.5M University Reserve and continues \$2M contribution to endowment
- Anticipates step coupon payment of \$15.08M on 6/30/20 related to 2015A Bond

# FY2020 Proposed Operating Budget '2020 Vision'

## Cumulative Investments (\$000's)

FY2020 '2020 Vision' includes new funds totaling \$3.7M. Below displays the breakdown by strategic priority:

\$1.4M for up to 23 faculty hires (salary and start-up) including 3 opportunity hires  
 \$2.3M increase to Capital Renewal and Replacement (CRR) and technology infrastructure

'2020 Vision' Investments							
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY15 - FY20
Strategic Priority	<i>Annual Budget</i>	<i>Annual Budget</i>	<i>Annual Budget</i>	<i>Annual Budget</i>	<i>Annual Budget</i>	<i>Annual Budget</i>	<i>Cumulative Budget</i>
1 - Students	4,353	6,030	6,030	7,704	8,181	8,181	40,479
2 - Learning	138	1,140	1,140	1,140	1,140	1,140	5,838
3 - Scholarly Research	670	714	714	714	714	714	4,240
4 - Community	545	794	794	794	794	794	4,515
5 - Investments	3,494	7,894	12,730	16,690	18,308	21,981	81,097
<b>Total 2020 Vision Investments</b>	<b><u>9,200</u></b>	<b><u>16,572</u></b>	<b><u>21,408</u></b>	<b><u>27,042</u></b>	<b><u>29,137</u></b>	<b><u>32,810</u></b>	<b><u>136,169</u></b>

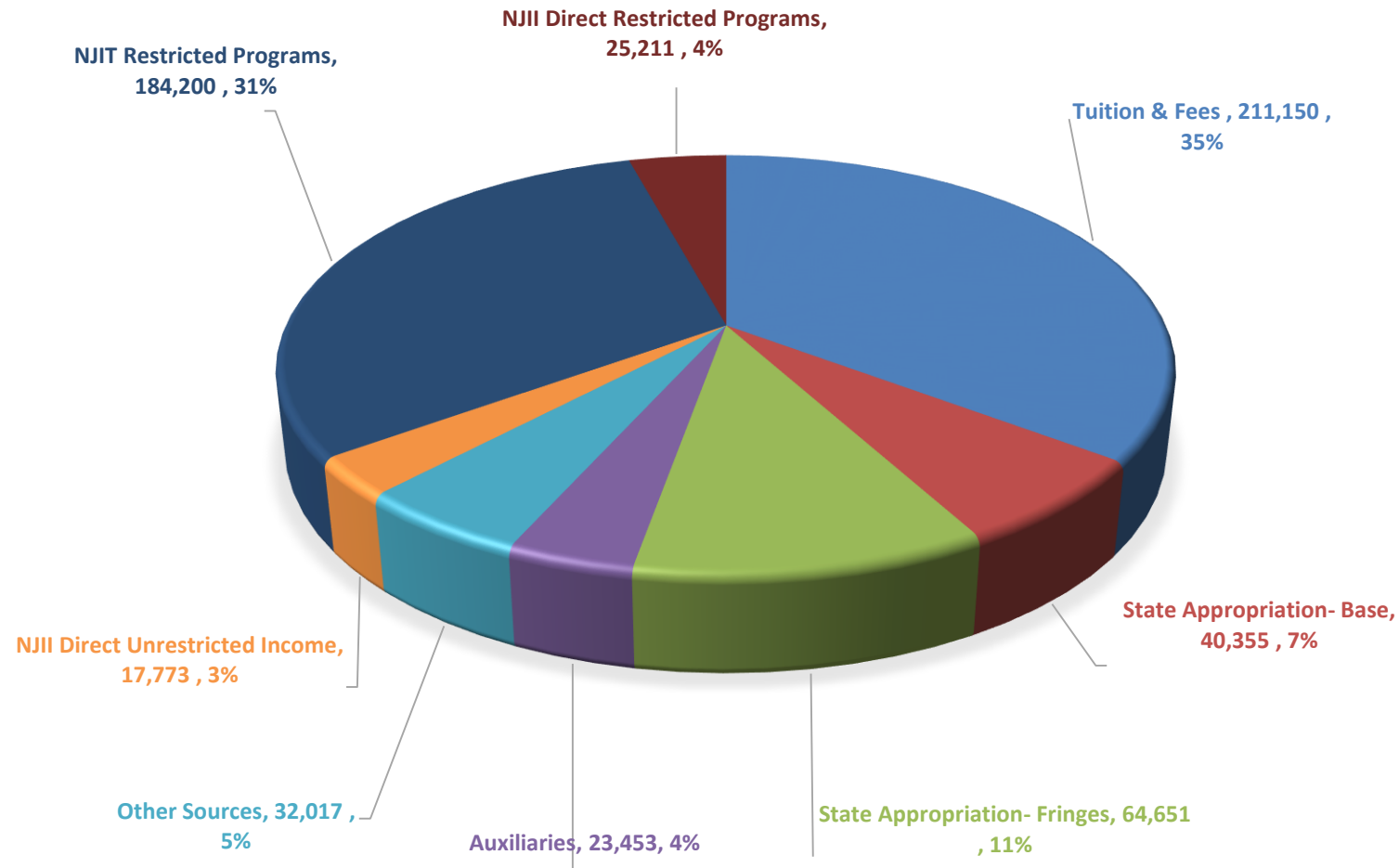
# Fall Enrollment History and FY20 Projection

	<u>FY2018 Actual</u>	<u>FY2019 Actual</u>	<u>FY2020 Proposed</u>	<u>Variance</u>	
	<u>Fall 2017</u>	<u>Fall 2018</u>	<u>Budget (1)</u>	<u>FY20 to FY19</u>	<u>% Change</u>
	<u>10th Day</u>	<u>10th Day</u>	<u>Fall 2019</u>	<u>Budget to Actual</u>	
	<u>10th Day</u>	<u>10th Day</u>	<u>10th Day</u>		
Undergraduate	8,550	8,627	9,114	487	5.6%
Graduate	2,548	2,452	2,363	(89)	-3.6%
PHD	453	481	508	27	5.6%
<b>Total Enrollment</b>	<b>11,551</b>	<b>11,560</b>	<b>11,985</b>	<b>425</b>	<b>3.7%</b>

(1) Provided by Enrollment Management & Academic Services

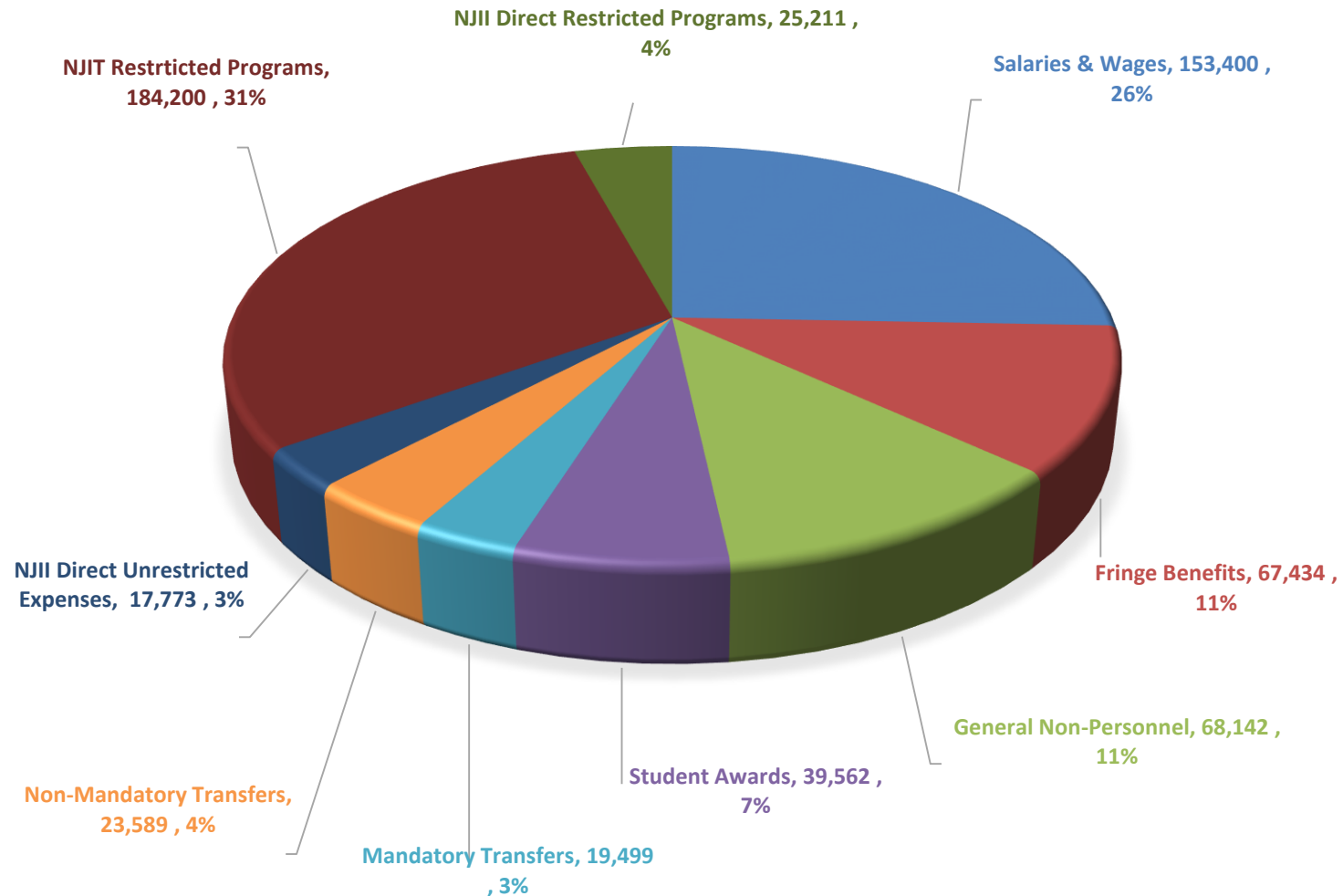
# FY2020 Proposed Operating Budget

## Revenues = \$598,810 (\$000's)



# FY2020 Proposed Operating Budget

## Expenses = \$598,810 (\$000's)





## FY2020 Controllable Revenue



Controllable revenues include: Tuition and Fees, Base State Appropriation, Auxiliaries and Other Sources which total \$307M. Tuition and Fees make up 69% of controllable revenues.

# FY2020 Capital Renewal and Replacement (\$000's)

Project Type	Budget	
Ongoing Misc Maintenance Projects	4,930	
Weston Lecture Hall 1 Renovation (scope to budget)	1,700	
IST Annual Maintenance Funding	750	
Makerspace Phase 2 Supplemental Funding - Mezzanine	550	
YWCC Jersey City Space Fit Out and Furniture (scope to budget)	750	
Tiernan Hall Forensic Analysis Lab - Equipment	900	
Faculty Memorial Hall Classroom Upgrades Phase 2	900	
GITC Phase 3 - Unification of Informatics Department, 3rd Floor (scope to budget)	1,500	
FY20 Research Laboratory Upgrades (New Hires and Existing Lab Upgrades)	1,890	
Weston Hall Roof Replacement and Façade Repairs	1,800	
Tiernan Hall HVAC System Upgrades - Phase 1 (HV-6)	830	
Emergency repairs to Summit Street Parking Garage concrete stairs	500	
Medical Devices Fabrication Center - Phase 2 from State of NJ	3,700	
IST Infrastructure Fund	1,662	
<b>Total FY20 CRR Budget including State of NJ One Time Funds</b>	<b>22,362</b>	
(1) <b>FY19 year-end operating balances</b>	<b>2,000</b>	
<b>FY20 Capital Renewal and Replacement Funding</b>	<b>24,362</b>	
<b>FY19 Capital Renewal and Replacement Funding</b>	<b>20,100</b>	<b>+ 21.2%</b>

- 1) FY19 estimated year-end balances will be applied to academic projects identified by the Provost. The administration has agreed to make additional CRR funds available based on identified needs, available access, and staging capacity.

# **FY2020 Proposed Tuition, Fees, and Room and Board Rates**

# FY2020 Proposed Tuition & Fee Rates

## FY2020 Full-Time Proposed Annual Tuition & Fee Rates

	FY2020 Tuition & Fee Annual Tuition Rates			Total T&F \$ Variance			Total T&F % Variance		
	Tuition	Fee	Total	Tuition	Fee	T&F	Tuition	Fee	T&F
<b><u>Undergraduate</u></b>									
In-State	14,448	3,226	17,674	274	62	336	1.93%	1.96%	1.94%
Out-of-State	30,160	3,226	33,386	574	62	636	1.94%	1.96%	1.94%
<b><u>Graduate</u></b>									
In-State	20,624	3,204	23,828	392	62	454	1.94%	1.97%	1.94%
Out-of-State	30,540	3,204	33,744	580	62	642	1.94%	1.97%	1.94%

## FY2020 Part-Time Proposed Annual Tuition & Fee Rates

	FY2020 Tuition & Fee Per Credit Rates			Total T&F \$ Variance			Total T&F % Variance		
	Tuition	Fee	Total	Tuition	Fee	T&F	Tuition	Fee	T&F
<b><u>Undergraduate</u></b>									
In-State	549	190	739	10	4	14	1.86%	2.15%	1.93%
Out-of-State	1,289	190	1,479	24	4	28	1.90%	2.15%	1.93%
<b><u>Graduate</u></b>									
In-State	1,122	189	1,311	21	4	25	1.91%	2.16%	1.94%
e-Tuition	1,307	189	1,496	25	4	29	1.95%	2.16%	1.98%
Out-of-State	1,613	189	1,802	30	4	34	1.90%	2.16%	1.92%

# History of NJIT Tuition & Fee Rates

The below chart shows a 20 year history (2000-2019) of our tuition and required fee rates. Over the past 20 years, the past five year average is the lowest percent increase (2.64%), with the lowest rate increase of 1.94% proposed for FY20

Fiscal Year	Tuition Full-Time In State			Required Fees- Full-time In-State			Total- Full Time In State			5 Year Average Tuition \$	5 Year Average Tuition %
	<u>Annual</u>	<u>\$</u> <u>Δ</u>	<u>%</u> <u>Δ</u>	<u>Annual</u>	<u>\$</u> <u>Δ</u>	<u>%</u> <u>Δ</u>	<u>Annual</u>	<u>\$</u> <u>Δ</u>	<u>%</u> <u>Δ</u>	<u>Δ</u>	<u>Δ</u>
2000	5,508	258	4.91%	972	8	0.83%	6,480	266	4.28%	457	6.49%
2001	5,758	250	4.54%	972	0	0.00%	6,730	250	3.86%		
2002	6,158	400	6.95%	1,042	70	7.20%	7,200	470	6.98%		
2003	6,758	600	9.74%	1,148	106	10.17%	7,906	706	9.81%		
2004	7,332	574	8.49%	1,168	20	1.74%	8,500	594	7.51%		
2005	7,918	586	7.99%	1,262	94	8.05%	9,180	680	8.00%	796	7.99%
2006	8,472	554	7.00%	1,350	88	6.97%	9,822	642	6.99%		
2007	9,066	594	7.01%	1,440	90	6.67%	10,506	684	6.96%		
2008	9,700	634	6.99%	1,650	210	14.58%	11,350	844	8.03%		
2009	10,500	800	8.25%	1,982	332	20.12%	12,482	1,132	9.97%		
2010	10,816	316	3.01%	2,040	58	2.93%	12,856	374	3.00%	547	4.05%
2011	11,248	432	3.99%	2,122	82	4.02%	13,370	514	4.00%		
2012	11,756	508	4.52%	2,218	96	4.52%	13,974	604	4.52%		
2013	12,400	644	5.48%	2,340	122	5.50%	14,740	766	5.48%		
2014	12,800	400	3.23%	2,418	78	3.33%	15,218	478	3.24%		
2015	13,120	320	2.50%	2,528	110	4.55%	15,648	430	2.83%	424	2.64%
2016	13,434	314	2.39%	2,674	146	5.78%	16,108	460	2.94%		
2017	13,602	168	1.25%	2,828	154	5.76%	16,430	322	2.00%		
2018	13,906	304	2.23%	2,992	164	5.80%	16,898	468	2.85%		
2019	14,174	268	1.93%	3,164	172	5.75%	17,338	440	2.60%		
PROPOSED											
2020	14,448	274	1.93%	3,226	62	1.96%	17,674	336	1.94%		

# FY2020 Proposed Tuition & Fee Rates

	UNDERGRADUATE		GRADUATE	
PER OCCURRENCE FEES				
	FY 2019	FY 2020	FY 2019	FY 2020
	Approved	Proposed	Approved	Proposed
Application/Re-admission/Non-Matriculation	\$75	\$75	\$75	\$75
Late Registration	100	100	100	100
Late Payment Penalty	500	500	500	500
Payment Plan Set-up	100	100	100	100
Payment Plan Late Fee	100	100	100	100
Thesis	N/A	N/A	75	75
Dissertation	N/A	N/A	100	100
Maintaining Registration	25	25	50	50
Matriculation (1)	160	160	160	160
Commencement	120	120	120	120
* Indicates change from previous year				

(1) **Matriculation:** A one-time matriculation fee will be assessed to all new matriculating students (full or part-time) beginning with their first registration (fall 2014 semester). Students assessed this fee would not be assessed the commencement fee once they apply for graduation. The commencement fee will be assessed to all students who had been previously registered prior to fall 2014 semester.

# FY2020 Proposed Tuition & Fee Rates

PER OCCURRENCE FEES	UNDERGRADUATE		GRADUATE	
	FY 2019 Approved	FY 2020 Proposed	FY 2019 Approved	FY 2020 Proposed
Parking				
· Part-time Commuter- less than 12 credits (per semester)	182	182	182	182
· Full-time Commuter - 12 credits or greater (per semester)	325	325	325	325
· On- Campus Resident (per semester)	490	490	490	490
Health Insurance (2)	*	1,806	1,806	1,543
International Student Fee (per semester)	125	125	125	125
Optional Practical Training Application Fee	200	200	200	200
First Year Student Fee	230	230	N/A	N/A
Transfer Student Orientation	30	30	N/A	N/A
ID Card Replacement	25	25	25	25
E-Transcript	7	7	7	7
* Indicates change from previous year				

(2) **Health Insurance:**

NJIT requires all domestic undergraduate students carrying 12 or more credits, domestic graduate students carrying 9 or more credit hours, and all F1/J1 holding students carrying 1 or more credit hours have health insurance that is compliant with the Patient Protection and the Affordable Care Act (PPACA) legislation. If a student cannot demonstrate that they have insurance they must purchase the insurance from a program offered by NJIT.

Domestic Undergraduate and Masters level students carrying at least 3 credits and Doctoral students carrying at least 1 Doctoral Dissertation credit can voluntarily participate in student health plan.

# FY2020 Academic Year Room Rates

Room Type	Residence Hall	FY2019		FY2020		% Chg
		Operationa	Rates	Operationa	Rates	
Double	ADHC	320	9,120	320	9,340	2.4%
	CYPRESS	378	8,900	328	9,110	2.4%
	LAUREL	470	8,900	470	9,110	2.4%
	OAK	168	8,900	160	9,110	2.4%
	REDWOOD	178	8,500	144	8,700	2.4%
<b>Double Total</b>		<b>1514</b>		<b>1422</b>		
Double - Private Bath	ADHC	16	9,360	16	9,580	2.4%
	CYPRESS	16	9,100	15	9,310	2.3%
<b>Double - Private Bath Total</b>		<b>32</b>		<b>31</b>		
Greek Double - Owned		48	8,900	48	9,110	2.4%
Greek Double - Rented		192	9,120	192	9,340	2.4%
RA		49	8,880	49	9,090	2.4%
Single - Community Bath	REDWOOD	4	9,780	3	10,010	2.4%
<b>Single - Community Bath Total</b>		<b>4</b>		<b>3</b>		
Single - Private Bath	ADHC	8	11,300	8	11,570	2.4%
	CYPRESS	10	11,060	4	11,320	2.4%
	LAUREL	14	11,060	14	11,320	2.4%
<b>Single - Private Bath Total</b>		<b>32</b>		<b>26</b>		
Single - Shared Bath	ADHC	8	10,700	8	10,950	2.3%
	CYPRESS	0	10,400	2	10,650	2.4%
	LAUREL	65	10,400	81	10,650	2.4%
	OAK	14	10,400	14	10,650	2.4%
<b>Single - Shared Bath Total</b>		<b>87</b>		<b>105</b>		
Single - "C" Shared Bath	LAUREL	8	10,200	8	10,440	2.4%
<b>Single - "C" Shared Bath Total</b>		<b>8</b>		<b>8</b>		
Triples	CYPRESS	28	6,676	93	6,830	2.3%
	LAUREL		-	15	6,830	0.0%
	REDWOOD	22	6,380	57	6,530	2.4%
<b>Triples Total</b>		<b>50</b>		<b>165</b>		
<b>Grand Total</b>		<b>2016</b>		<b>2049</b>		



## FY2020 Academic Year Meal Plan Rates

<u>Description</u>	<u>Type</u>	<u>FY19</u>	<u>FY20</u>	<u>\$Chg</u>	<u>%Chg</u>
Unlimited Continuous Dining	A Plan	3,800	3,888	88	2.3%
Unlimited Continuous Dining + 100 flex pts	B Plan	4,000	4,088	88	2.2%
Unlimited Continuous Dining + 200 flex pts	C Plan	4,200	4,288	88	2.1%
Unlimited Continuous Dining + 600 flex pts	E Plan	5,000	5,088	88	1.8%
80 entries per semester + 400 flex pts	F Plan	2,708	2,752	44	1.6%
1141 Flex Points (\$300 fixed expenses)	G Plan	2,828	2,828	0	0.0%
80 anytime entries per semester	H Plan	1,908	1,952	44	2.3%
5 meals a week breakfast or lunch	J Plan	1,494	1,528	34	2.3%

## FY2020 Annual Room and Board Weighted Average

	<u>FY2019</u>	<u>FY2020</u>	<u>% Change</u>
**Annual Room (Weighted)	8,975	9,067	1.0%
Meal Plan A - Annual	3,800	3,888	2.3%
<b>Annual Weighted Total</b>	<b>12,775</b>	<b>12,955</b>	<b>1.4%</b>
**Weighted annual room is lower than the 2.4% average increase due to conversion of doubles to additional triples			