

FY22 Budget Overview

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The “Bucket” List



The IUS Budget (and Drivers)

- 57% of revenue comes from tuition and fees (credit hours)
- 42% of revenue comes from state appropriation (performance funding)
- 70% of the budget is allocated to compensation (salaries and benefits)
- Revenue must equal expenses; when revenue declines, expenses must be reduced.

FY21 Year In Review (the year just ended)

- Total credit hours declined:

Credit Hours	+ Increase / - Decrease
Undergraduate	-8.4%
Graduate	+16.1%
Total	-6.8%

- Remember, “revenue must equal expenses; when revenue declines, expenses must be reduced.”

FY22 Credit Hour Budget

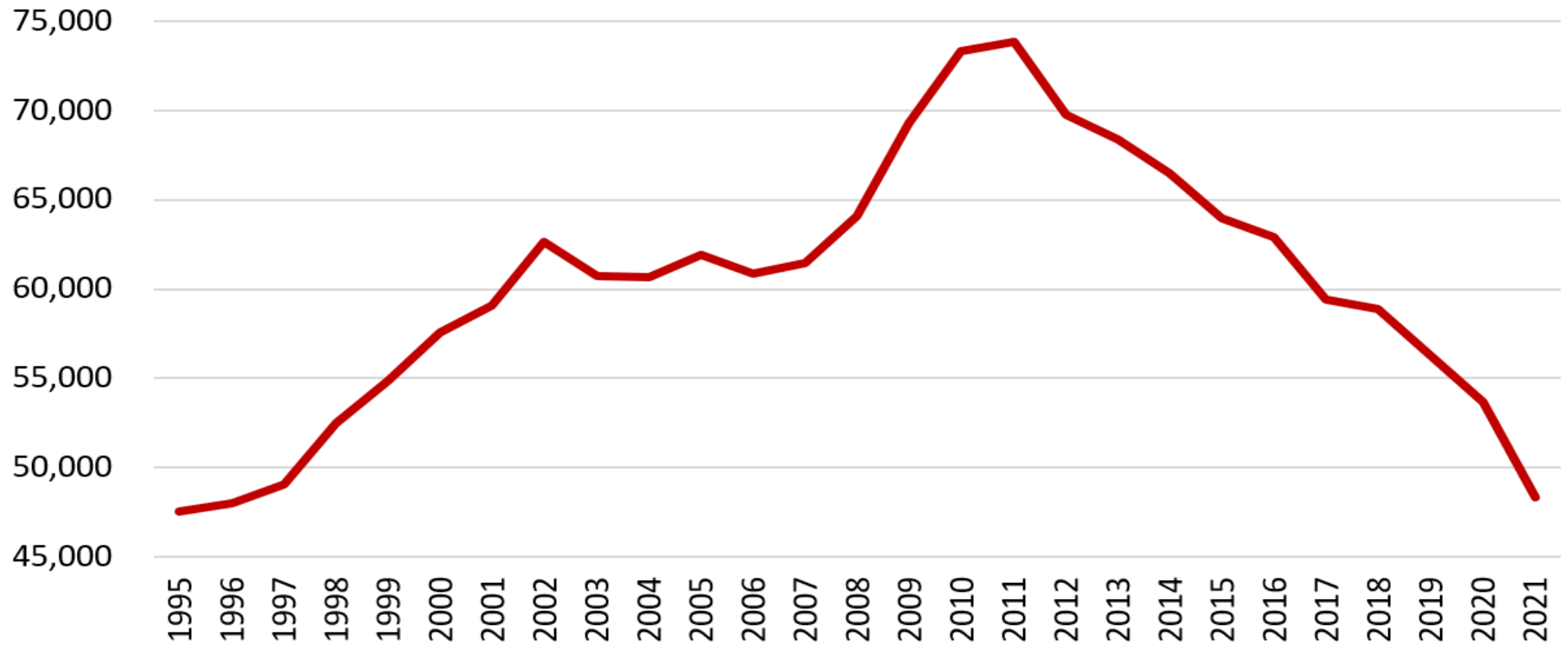
Category	FY21 Budget	FY22 Budget	% Inc/-Dec
Undergraduate	104,041	95,238	-8.5%
Graduate	7,303	9,291	27.2%
Total	111,344	104,529	-6.1%

Source: Credit Hour Fee Projection Editor (excludes ACP credit hours, OCC campus of instruction)
Table is intended to illustrate general credit hour trends and may vary slightly from census data

Fall 2021 Credit Hours

- Fall outlook (credit hours) as of 8/19/21
 - Undergrad. **down 17.7%**
 - Grad. **down 2.7%**
 - Total **down 16.8%**
- Bright spot? With a budgeted decline of 6.1% and an actual decline of 16.8%, we're 90% to target!

Fall Credit Hours



Fall Credit Hours & Unemployment Rate



FY22 General Fund Budget Summary

<u>Revenue</u>	<u>FY21</u>	<u>FY22</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/-Dec</u>
Student Fees	\$31,449,927	\$30,816,063	(\$633,864)	-2.0%
State Appropriation	21,805,855	22,579,929	\$774,074	3.5%
Other Revenue	510,496	700,260	\$189,764	37.2%
Total Revenue	\$53,766,278	\$54,096,252	\$329,974	0.6%
<u>Expenses</u>	<u>FY21</u>	<u>FY22</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/-Dec</u>
Compensation	\$38,697,623	\$38,031,540	(\$666,083)	-1.7%
Financial Aid	931,879	931,879	0	0.0%
General Expenses	6,512,515	5,932,396	(580,119)	-8.9%
Utilities	1,328,502	1,163,502	(165,000)	-12.4%
Travel	189,205	185,894	(3,311)	-1.7%
Capital	423,408	423,408	0	0.0%
Reserves	(1,056,224)	352,900	1,409,124	-133.4%
Transfers	6,739,370	7,074,733	335,363	5.0%
Total Expenses	\$53,766,278	\$54,096,252	\$329,974	0.6%

FY22 Budget – Main Points

- Our enrollment has declined steadily since fall 2011.
- We've cut over \$4 million from the budget over the last 2 fiscal years.
- The FY23 budget will require realignment of revenue and expenses.
- The Budget Dilemma: in an environment of long-term revenue decline, the only way to fund new initiatives is **reallocation of resources** or use of cash from designated funds, auxiliary funds, or Foundation funds.
- **Student persistence, retention, and completion** will have the greatest impact on revenue (and therefore expenditure funding).

Performance Funding Update

Overview

- The pandemic caused a change to the performance funding program in 2021-23.
- State operating appropriation was cut 7% in June 2020 (\$1.5 million for IUS).
- The cut was restored in the FY22 budget. This had the effect of increasing state operating appropriation by \$1.5 million in FY22.
- Therefore, no performance funding was awarded in FY22.
- FY23 awards were pro rated downward to match the legislative approval.

The Underlying Data

	BL	IUPUI	EA	KO	NW	SB	SE
Overall Degree Completion							
Bachelor's Degree	-15	329	76	44	31	1	5
Master's Degree	51	6	1	-2	-22	14	-5
Doctoral Degree	-12	-9	0	0	0	0	0
STEM Degree Completion							
Bachelor's Degree	8	206	6	-5	10	0	1
Master's Degree	4	4	3	0	0	-3	0
Doctoral Degree	-2	7	0	0	0	0	0
At Risk	-6	-39	6	-11	8	-33	-33
At-Risk, On-Time	5.9%	11.0%	9.0%	4.8%	8.2%	5.7%	5.9%
At-Risk Composite Value**	74	159	22	11	30	23	19
On-Time***	262	393	36	35	49	58	47
Student Persistence***	30		0	23	42	25	-15
	60		30	32	43	76	68
	90		31	39	53	65	61

** New Composite Value adds the overall, At-Risk degree completers with the Per Unit Value of At-Risk, On-Time recipients

*** Per Unit Value - Change in 3 year rate x latest average 3 year cohort size

For Comparison

Overall degree completion (bachelors):

Ivy Tech (Associates)	-701
PUWL	-246
PNW	-111
BSU	-101
IUB	-15

At-risk degree completion (bachelors):

ISU	169
IUPUI	159
PUWL	95
BSU & USI	88
IUB	74

On-time completion:

IUPUI	393
PUWL	330
Ivy Tech (Associates)	276
IUB	262
BSU	177

2021-23 Performance Funding by Campus

Regional Campus	FY22 Increase*	FY23 Increase
East	\$- 0 -	\$995,400
Kokomo	- 0 -	466,700
Northwest	- 0 -	737,600
South Bend	- 0 -	393,000
Southeast	- 0 -	291,100

* Note: FY22 does not include the restoration of the 2020 cut.

Conclusion

- Please send questions to dwavle@ius.edu. I will follow-up with an e-mail, phone call, or a Zoom meeting invite.
- Thank you!