

# Budget Overview

## 2017 Fiscal Results, 2018 Budget, Enrollment

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# Outline for Today

- Ferris budget information
  - Fund Descriptions
  - 2017 fiscal results
  - Information on 2018 budget
- Revenue and Enrollment
  - Performance Funding
  - Enrollment

# Ferris Operating Funds

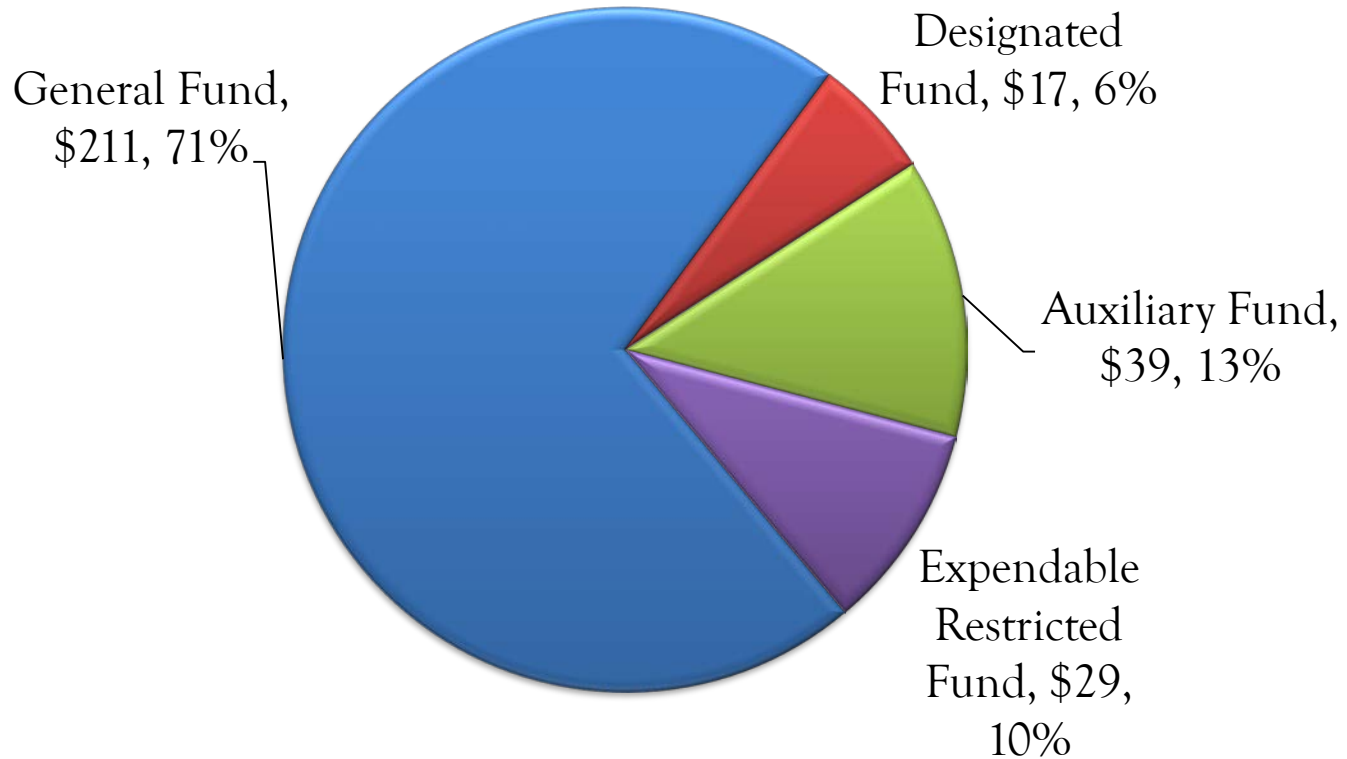
- **General Fund** – primary support from State and student tuition; supports academic mission of the University
- **Designated Fund** – Supported primarily from gifts and grants for designated purposes
- **Auxiliary Fund** – Self-supporting operations of the University
- **Expendable Restricted** – Restricted State and Federal grants and contracts

# 2016-2017 University Fiscal Results

## Operating Funds Revenues

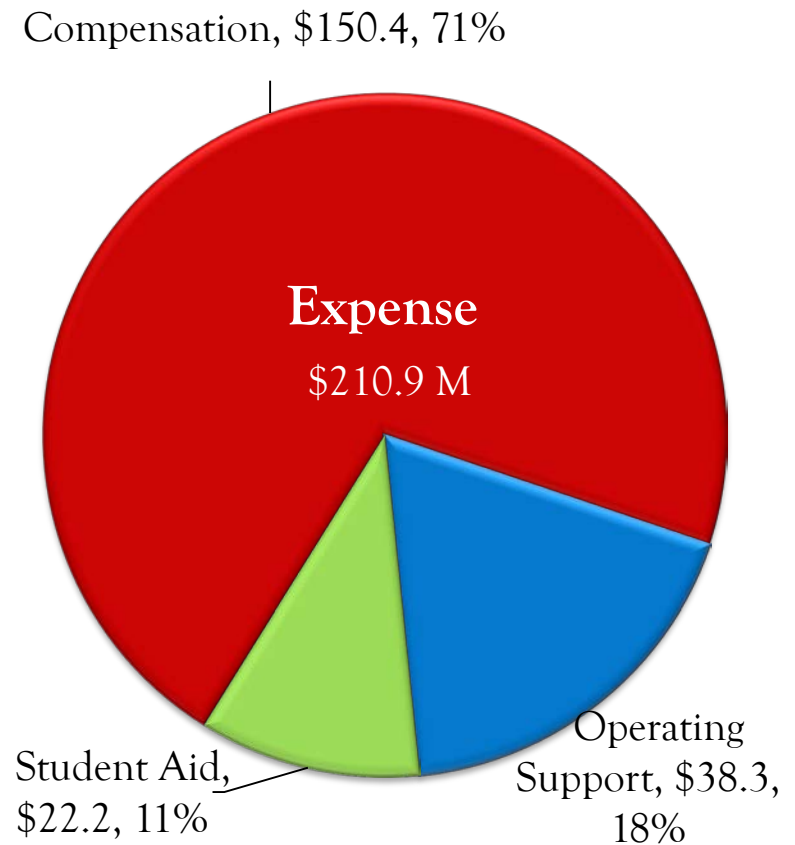
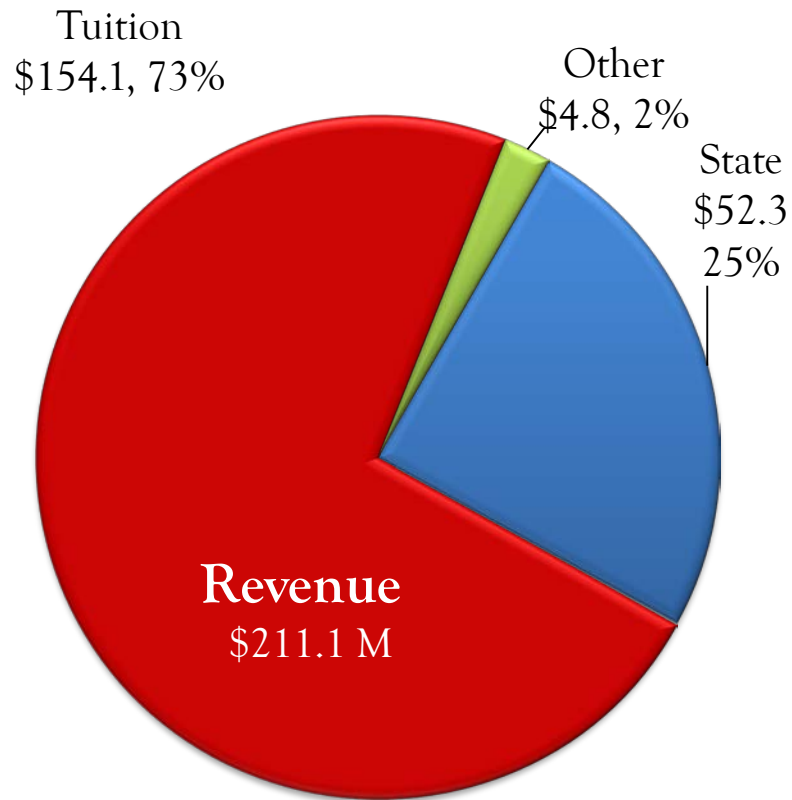
\$296 Million

Amounts in Millions



# 2016-2017 General Fund Budget - \$211 M

Amounts in Millions

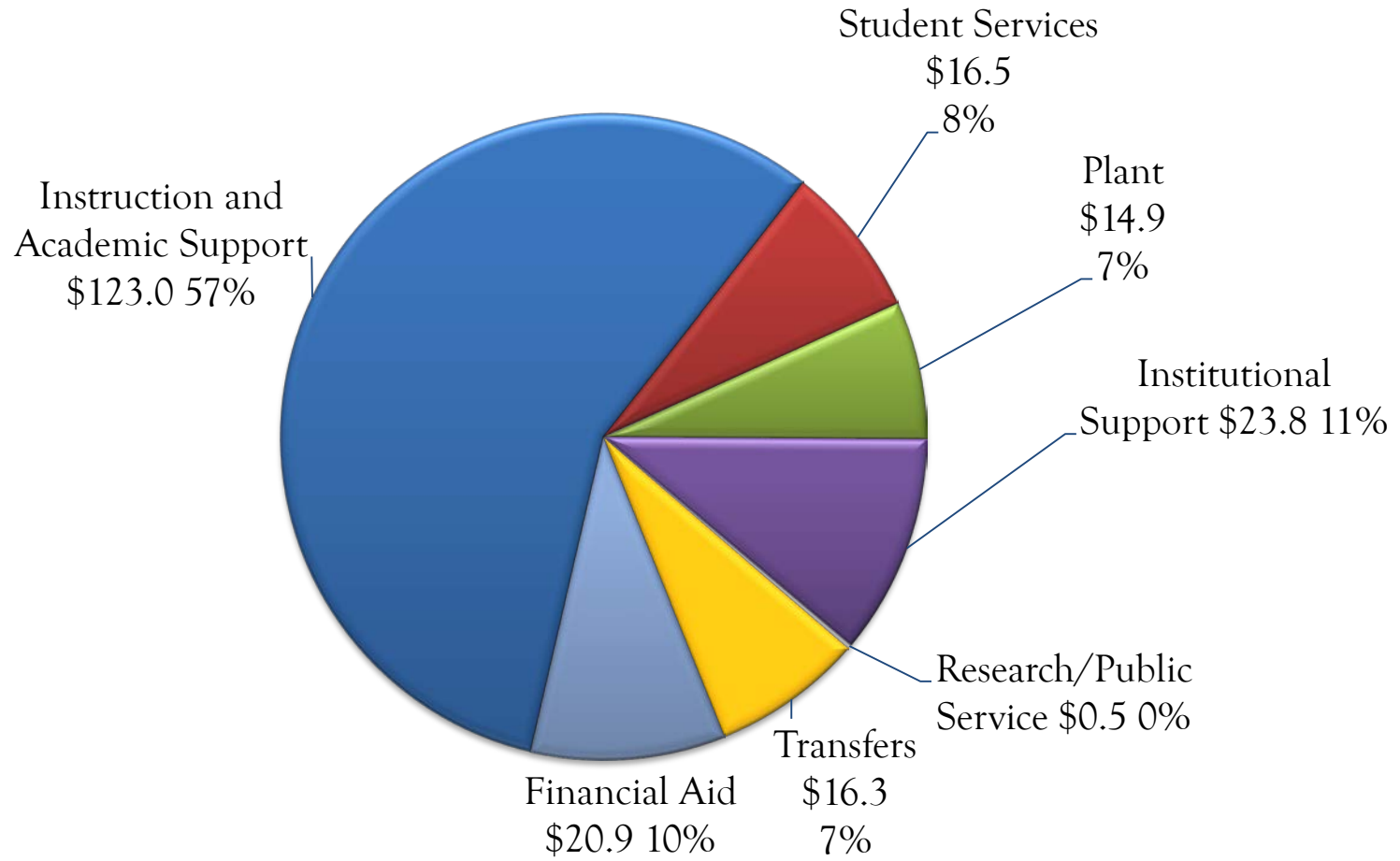


# 2016-2017 University Fiscal Results

## General Fund Expenditures

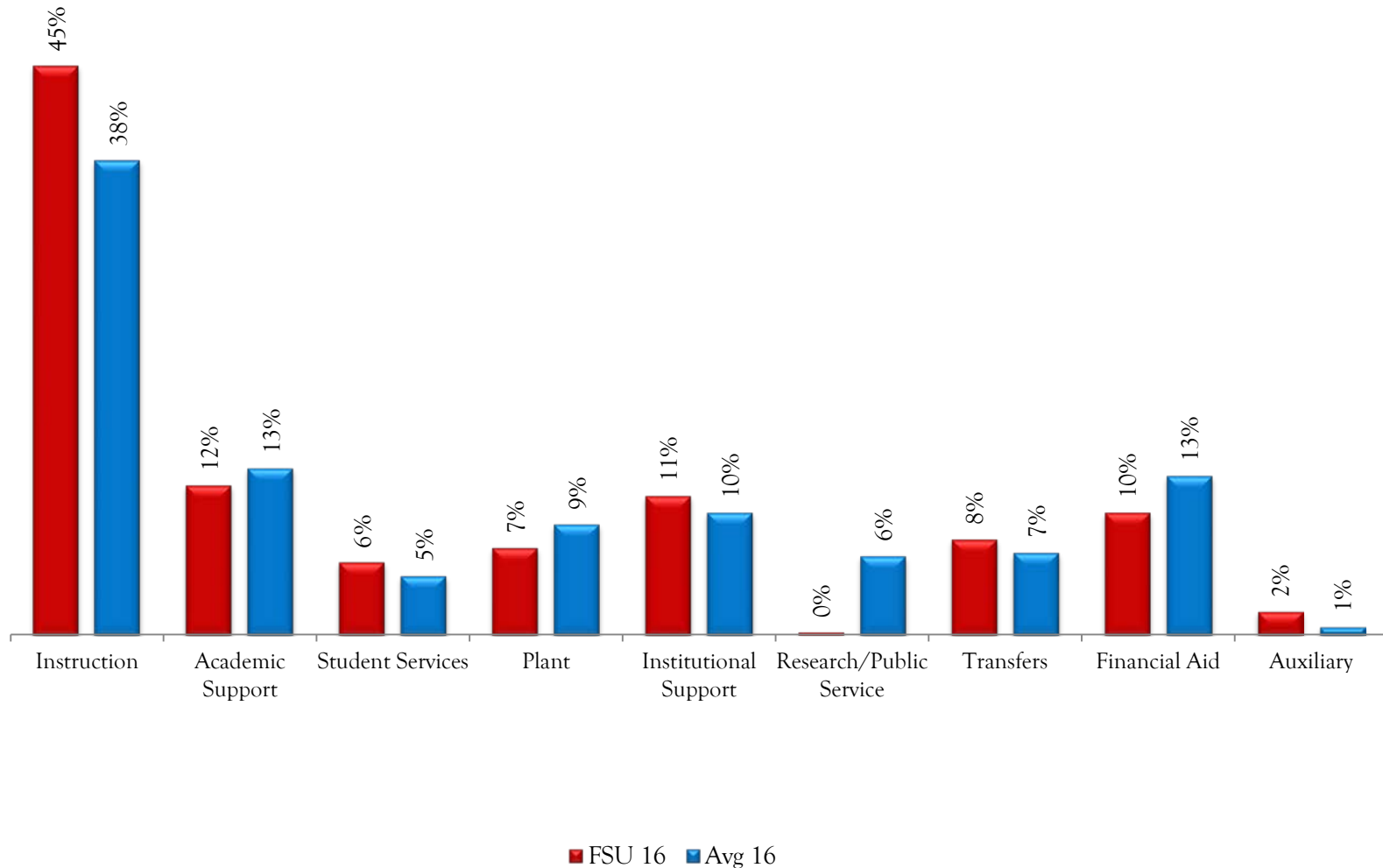
\$211 Million

Amounts in Millions - State Reported HEIDI



# Michigan Public University Spending Patterns

Fiscal year 2016 Percent of General Fund Expenses by Function of Expense



## Higher Education – 2017-18

### Performance Funding and Tuition Restraint

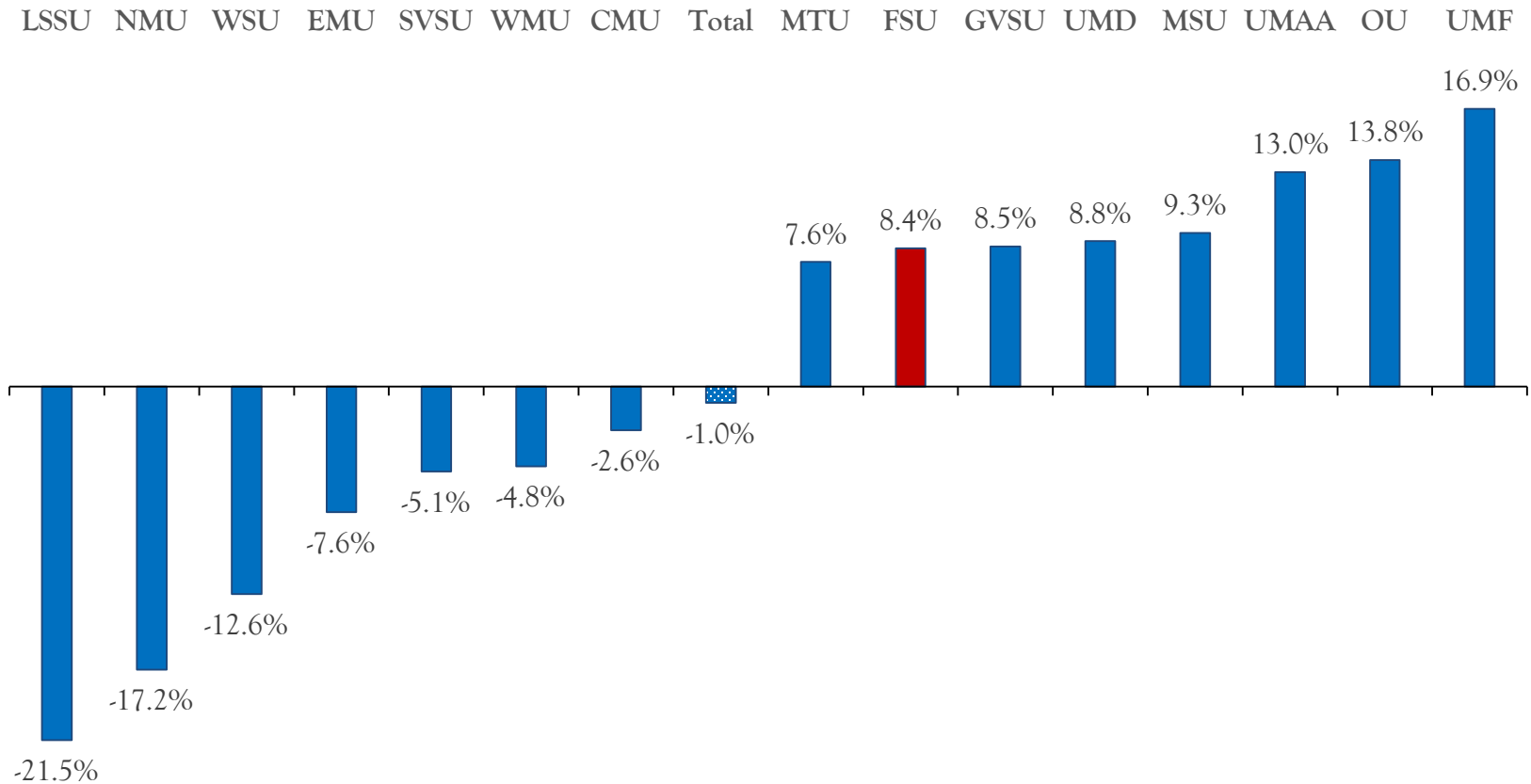
- Higher education budget included \$41.5 million increase (2.6%)
  - \$28.0 million – performance funding (2.0%)
  - \$11.6 million – grants and financial aid (10.0%)
  - \$1.9 million – other (Ag Experiment, MPSEERS, etc.) (2.0%)
- Ferris received \$1.3M increase for total of \$53.6M
  - 4.7% of performance funding total
  - 2.6% increase over prior year
- Tuition Restraint
  - Requirement to not increase tuition more than the greater of 3.8% or \$475



# Performance Funding and Enrollment

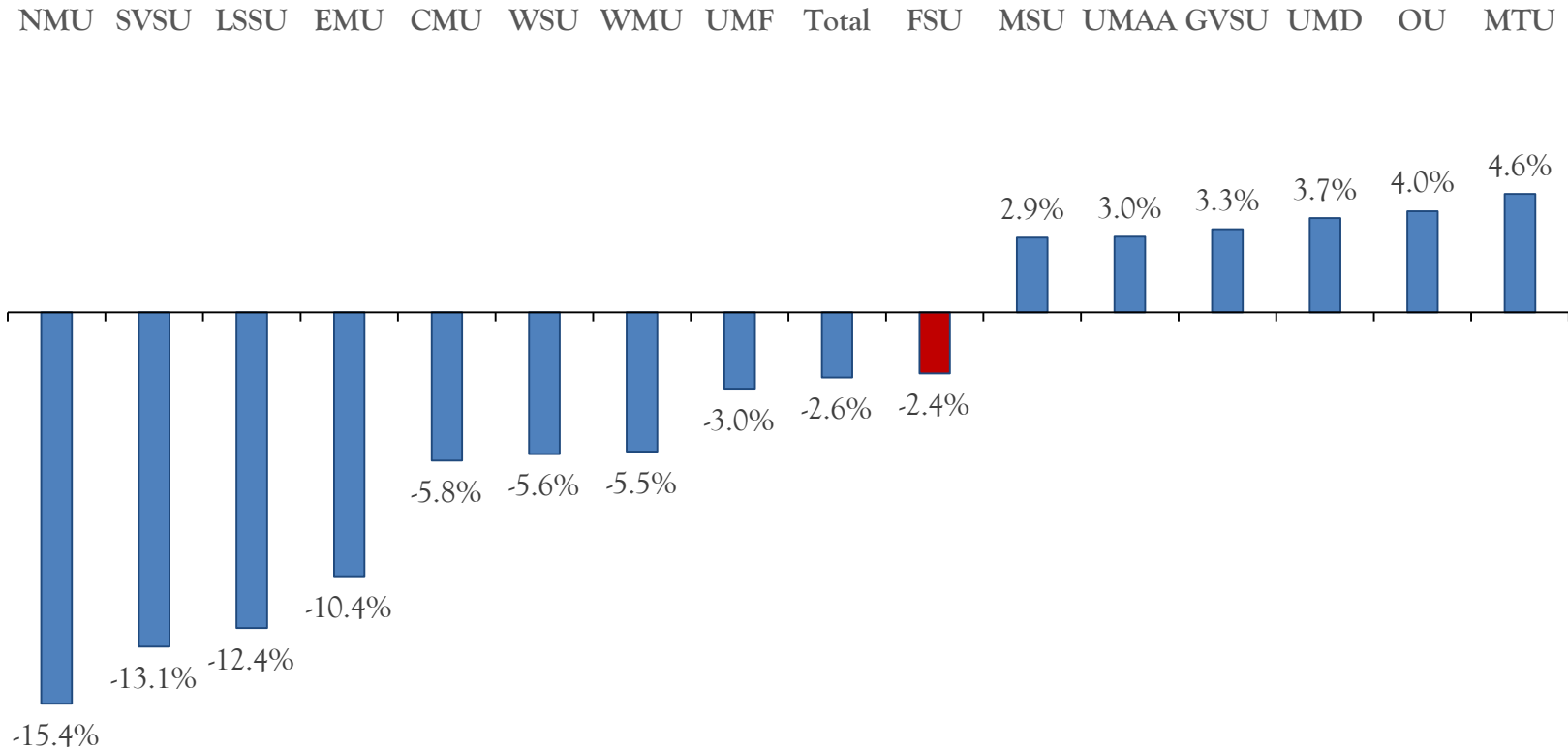
- Four of the six performance funding metrics are tied to enrollment
  - Critical skills degrees awarded
  - Six-year graduation rate
  - Total degree completions
  - Percent of students receiving Pell
- State TIP Restrictions negatively impact on enrollment
  - Cap of \$8.5M to any one institution
  - Boilerplate for 2019 to limit support to 3x community college tuition rate
  - TIP Phase I students are down 295 students
    - TIP numbers include 202 students who did not receive state funding and accepted Ferris support
- Efforts to attract and retain students are increasingly more difficult, but critical to our future

# Michigan Public Universities Total Headcount – Ten-Year Enrollment Change Fall 2007 – Fall 2016



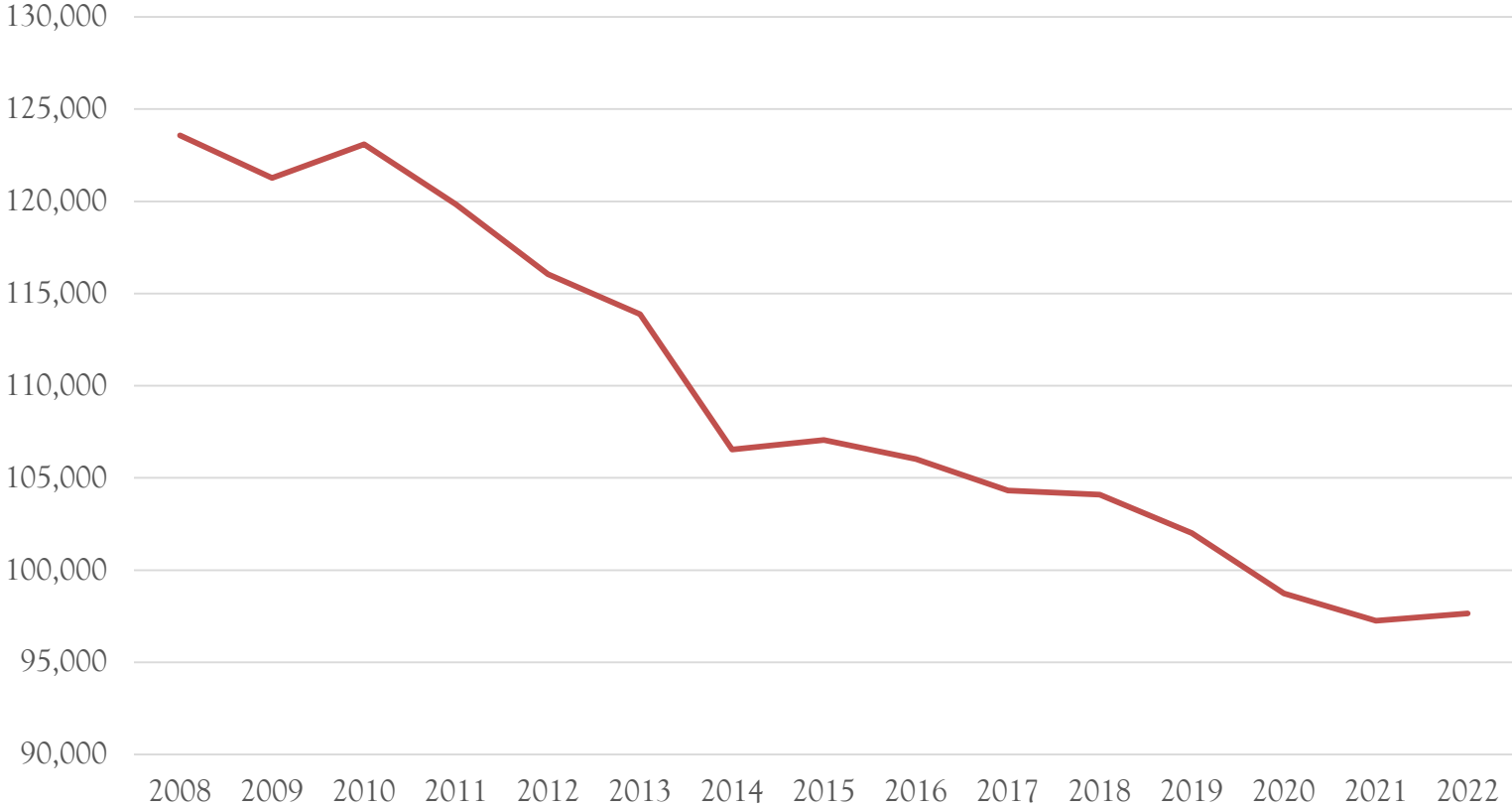
Source: MASU Fall Enrollment Report

# Michigan Public Universities Total Headcount – Five-Year Enrollment Change Fall 2012 – Fall 2016

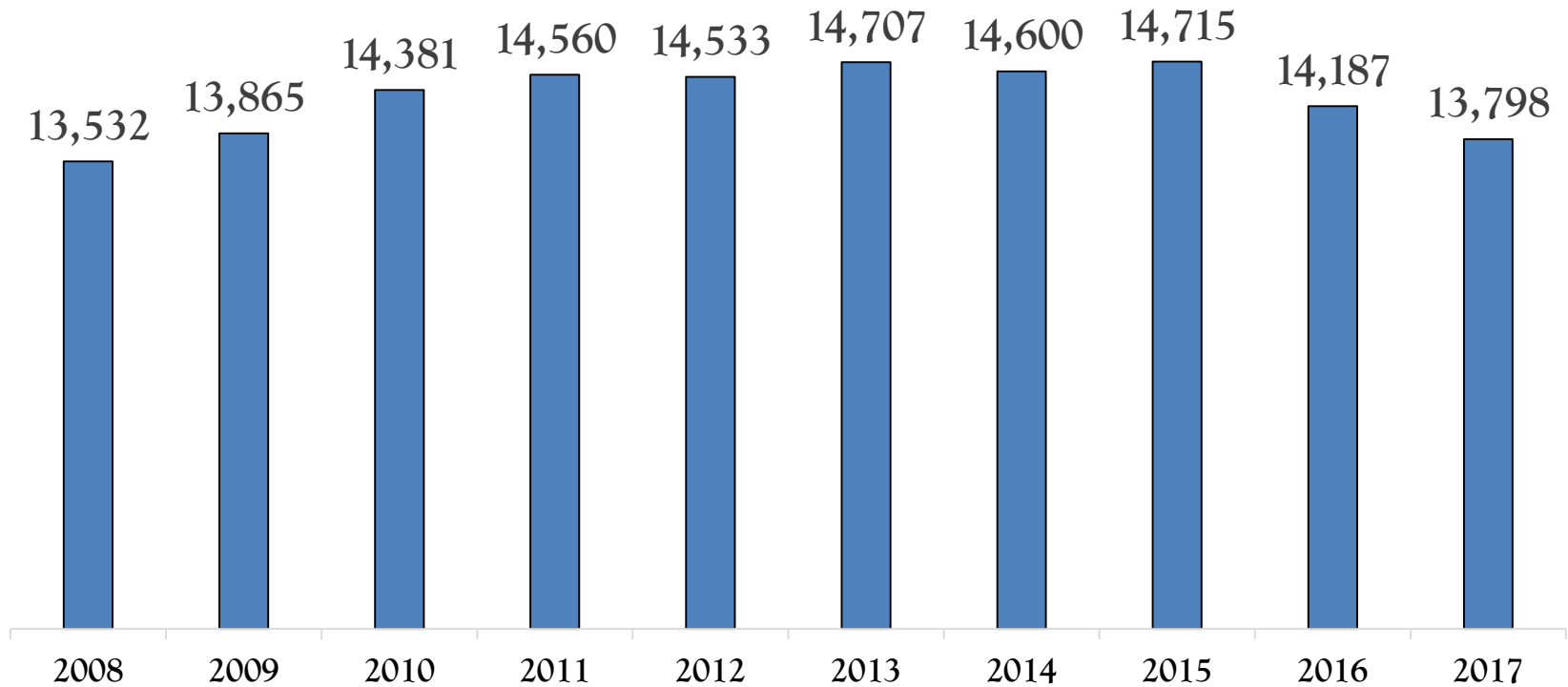


Source: MASU Fall Enrollment Report

# Projected Number of Michigan High School Graduates



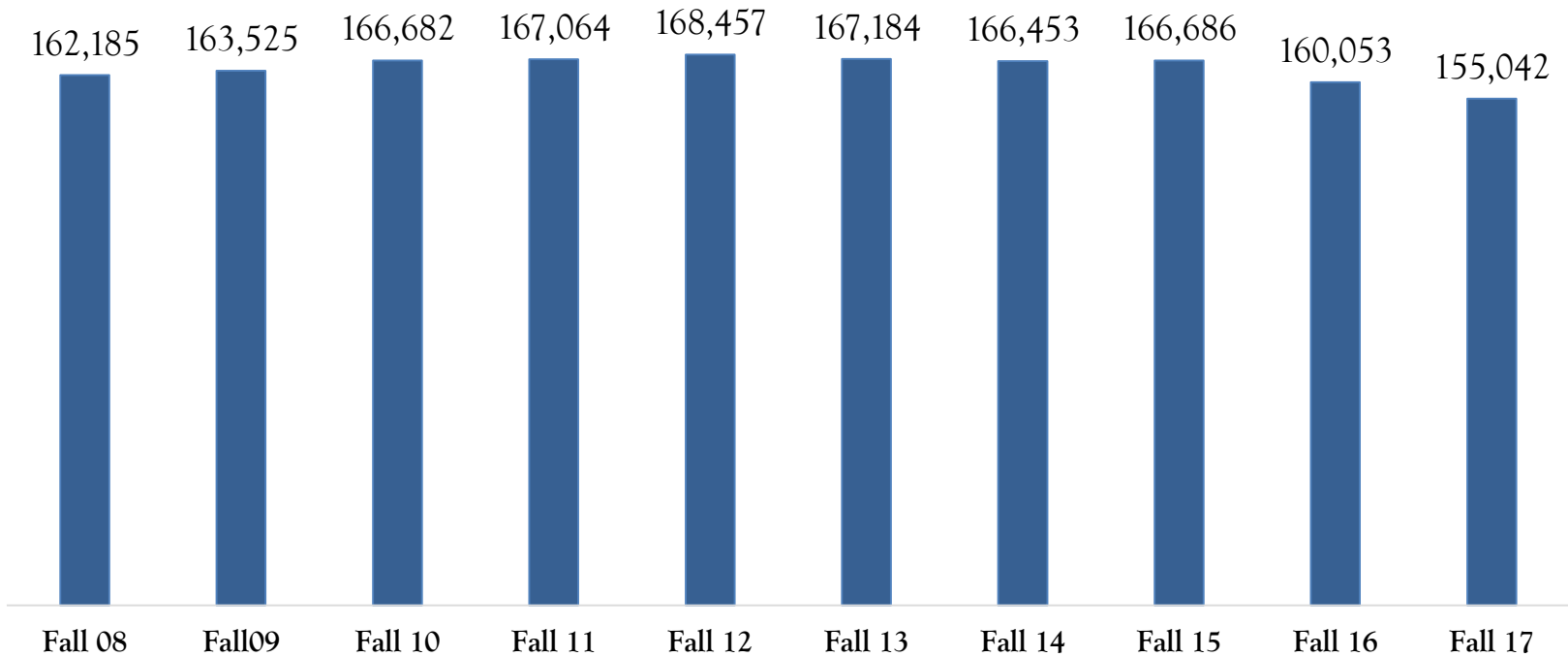
# Fall Headcount Enrollment



Data Source: FSU Institutional Research Official 4<sup>th</sup> Day Enrollment Summary

# FSU Student Credit Hour Enrollment

## Fall Semester



# Fall 2017 Enrollment and Fiscal Impact

- Areas of decline
  - International students – 23.6% headcount
  - Master degree students – 7.0% headcount
  - Kendall – 11.4% SCH
  - Internet – 4.1% SCH
- Annual Student Credits projected down 10,788 (3.2%)
- Tuition revenue shortfall of \$3.4M included in the budget
- Base budget reduced revenue inputs match expense outputs
  - \$3 Million of base reductions in place
  - Additional \$442 thousand reduction underway

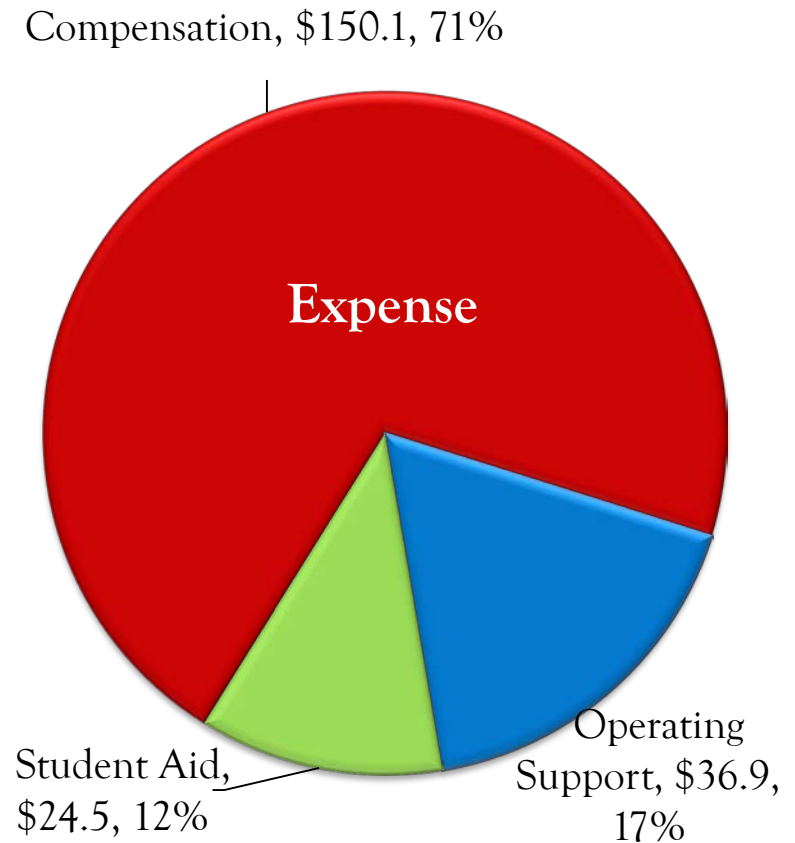
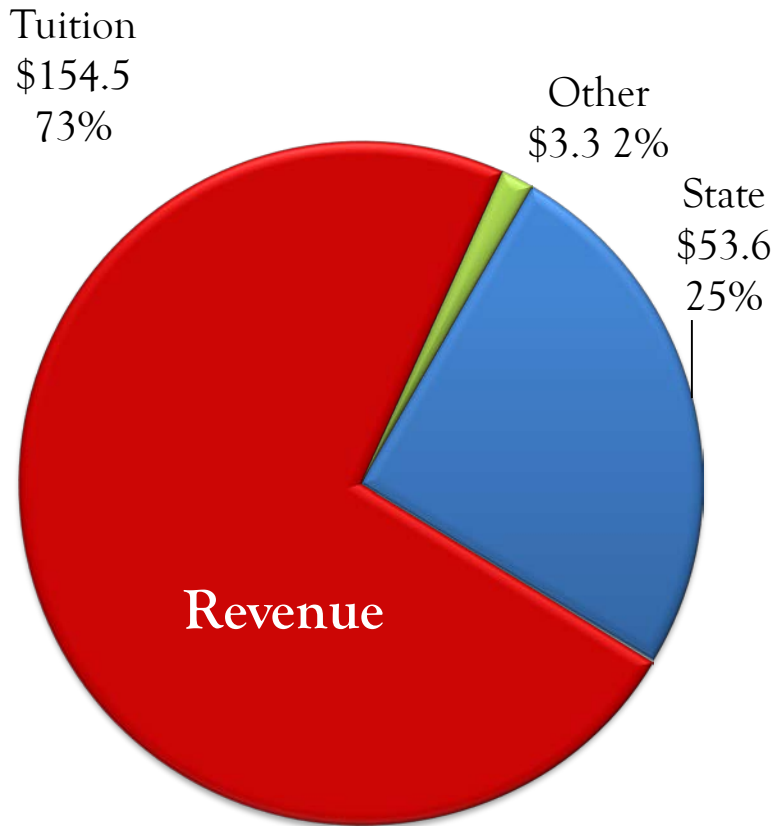
# Budget Reductions

- FY17 - \$5.1 Million
- FY 18 Initial - \$3.0 Million
- FY 18 Assigned - \$442k pending spring enrollment
  
- FY17 and FY 18 - \$8.5 Million over 2 years
  - 33.5 positions
  - \$4.6 Million in compensation
  - \$3.5 Million in operating support
  - \$.4 Million cuts to be made



# 2017-2018 General Fund Budget - \$211.5M

Amounts in Millions



# Questions/Comments?

*More Information on Ferris' budget can be found at:*

**Budgetary Planning (including this presentation)**

<https://ferris.edu/HTMLS/administration/president/budget-office/information.htm>

**President's Fall Budget Forum**

<https://ferris.edu/HTMLS/administration/president/budget-pres/forums/docs/2017FallForumStickyNotes.pdf>