

FY21 PRELIMINARY BUDGET PLANNING

Updated Joint Budget Presentation 5/1/2020

A decorative graphic consisting of several parallel white lines of varying thicknesses, slanted diagonally from the bottom-left towards the top-right, located on the right side of the slide.

FY 20 FINANCIAL PLAN AND REVENUE COLLECTED

Lehman- FY 2020 Financial Plan Report- **DRAFT**

FORECAST

	FY2018	FY2019	FY2020 Fin Plan	FY2020 1Q	FY2020 2Q	FY2020 2Q-Update
<i>Revenue Target</i>	70,688	77,346	84,371	84,371	84,371	84,371
Campus Tax-Levy Budget	97,204	103,979	109,669	113,651	114,076	114,440
Tech Fee & Central Funds	52,437	54,212	55,370	55,613	55,595	55,100
Tuition Collection O/(U) Target	6,379	5,310	2,677	2,212	2,212	2,700
Projected Resources	156,020	163,502	167,716	171,476	171,883	172,240
Projected Expenditures						
PS Regular	77,296	78,972	81,553	84,463	84,463	83,950
Adjuncts	14,624	15,727	15,162	18,010	18,010	18,259
Temporary Service	4,032	4,301	5,102	4,975	4,975	4,512
Labor Reserve			5,471	0	0	0
Total Personnel	95,952	99,000	107,288	107,448	107,448	106,721
OTPS	6,314	6,575	7,951	7,951	7,951	7,951
Tech Fee & Central Funds	52,437	54,212	55,370	55,613	55,595	55,100
Total Expenditures	154,703	159,787	170,609	171,012	170,993	169,771
Surplus/(Deficit)	1,317	3,715	(2,892)	464	891	2,469
CUTRA (Prior reserves)	6,129	5,899	11,160	9,614	9,614	9,614
Year-End Balance	7,445	9,614	8,267	10,078	10,504	12,082

Revenue target for FY 20:
\$84,371,000

Collections as of 3/31:
\$82,104,103 (4/2 update)

Revenue Projection:
\$ 87,071,053 (included overcollections of \$2.7 million - we were on target to get there until COVID19 hit).

Optimistic overcollection:
\$1 million+

Additional potential savings:
\$1 million+

Potential Year End Balance:
\$10.3-11.3 million

FY 21 PRELIMINARY BUDGET PLANNING – A LOOK BACK

**Ten Year Enrollment at Lehman College
2005-2014**



LEVEL / SEMESTER		F'05	F'06	F'07	F'08	F'09	F'10	F'11	F'12	F'13	F'14
Undergraduate	N	8442	8747	8864	9569	9720	9841	9863	9577	9886	10326
	%	79.5%	80.9%	81.2%	80.7%	79.7%	81.2%	80.3%	80.7%	81.8%	83.3%
Graduate	N	2173	2067	2058	2291	2475	2274	2424	2285	2199	2072
	%	20.5%	19.1%	18.8%	19.3%	20.3%	18.8%	19.7%	19.3%	18.2%	16.7%
TOTAL		10615	10814	10922	11860	12195	12115	12287	11862	12085	12398



EMPLOYEES		F'05	F'06	F'07	F'08	F'09	F'10	F'11	F'12	F'13	F'14
Full-Time	N	805	818	851	866	895	893	898	978	927	921
	%	58.6%	59.4%	60.7%	68.4%	60.1%	63.4%	62.3%	66.0%	69.1%	67.6%
Part-Time*	N	568	559	551	401	593	516	544	504	415	442
	%	41.4%	40.6%	39.3%	31.6%	39.9%	36.6%	37.7%	34.0%	30.9%	32.4%
TOTAL		1373	1377	1402	1267	1488	1409	1442	1482	1342	1363

*Part-Time Faculty Only.

From IR Fact Book 2015

Fall 2017 Enrollment 14,787

Fall 2018 Enrollment 15,147

Fall 2019 Enrollment 15,539

Fall 2017 full & part time employees 1,611

Fall 2019 full & part time employees* 2,225 (Hourly staff 310)

FY 21 PRELIMINARY BUDGET PLANNING

<u>Item</u>	<u>8% State Reduction</u>	<u>10% State Reduction</u>
Base Budget	\$ 97,185.0	\$ 97,185.0
Collective Bargaining		
Base Adjustment items		
CUNY CAP	3.8	3.8
LSAMP	240.0	240.0
Energy Savings Funds	1,047.7	1,047.7
Revenue Target Adjustments	5,073.7	5,073.7
Campus Maintenance Program	(160.0)	(160.0)
Faculty Workload Reduction	180.0	180.0
Tuition Revenue reserve		
Tuition Revenue Increase	2,298.0	2,298.0
FY2021 Base Budget	\$ 105,868.1	\$ 105,868.1
State/CUNY Reduction	(8,469.5)	(10,586.8)
10% State/CUNY Reduction		
Revised FY2021 Base Budget	\$ 97,398.7	\$ 95,281.3

Notes:

- Does not include a tuition increase Fall 20 - if tuition increase was approved, it will add about \$1 million to our budget. Tuition increase is usually about \$2m, but as the tuition increases so does the TAP gap.
- Does not include funding from CUNY to cover the collective bargaining increase, professional hours or step increases.
- Does not include University Wide Initiatives

FY 21 PRELIMINARY BUDGET PLANNING – EXPENSES

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	Early forecast		
	FY2020	FY2021	diff
PSR	83,950	84,229	279
Adjunct	18,259	19,072	813
Temp	4,512	5,176	664
OTPS	7,951	7,426	(525)
Total	114,672	115,903	1,231

NOTE: The PSR (full time employees) takes into account the following:

- active employees as of March 26th
- no additional new hires for this fiscal year and a hiring pause for FY2021 on all positions
- estimated July and Jan increases at \$1.050 million (could be understated)
- added \$500k for faculty commitments (offer letters already went out)
- added PSC collective bargaining for November 15 -about \$1 million
- Lump Sums included in the budget
- adjusted for GC allocation (\$800) and NTL reimbursements (\$900k)

Adjuncts	Teaching	Prof. HRS	Total
Summer 2	1,755	580	2,335
Summer 1	700	210	910
Winter	648	207	855
Fall	5,638	1,946	7,584
Spring	5,693	1,694	7,387
Sub-total	14,435	4,637	19,072

Adjuncts assumptions:

- used FY2020 instructional hours for Summer/Fall/Spring and winter to estimate teaching hours and prof. hours for fy2021;
- no new dollars included for new courses;
- prof. hours for the new fiscal year is estimated to increase by over \$3 million; used a \$83 hourly rate to estimate the prof. hours amount

Temp and OTPS assumptions:

- used FY2020 base budget allocations
- Estimated roll-over faculty startup at about \$150k
- budget includes new faculty startup \$200k, faculty travel \$100k, incentives \$200k (total \$500k could be placed on hold)
- budget does not include strategic or operational items approved during the 2020 fiscal year; this includes the Provost's initiatives or the EM approvals (EM \$533k and Provost's \$290k (chairs excellence, curriculum development, banners)
- Lump sums are included and expected to be added to our budget

Projected Spending FY21:

\$ 115,903,000*

Does not include \$4.7m vacancies

Potential Budget FY21:

\$ 100,182,700*

(with a 8% State reduction and flat enrollment)

Potential Budget Shortfall:

\$ 15,720,300

Notes:

- Based upon a 8% State budget reduction of \$ 8,469,500, flat enrollment
- Does not include a tuition increase for September 2020
- FREEZE \$ 4,500,000 million in current vacancies (which includes critical health, safety, faculty and operational personnel).
- **Does not include CUTRA – it's one-time funding only, we need permanent funds to offset our operational costs**
- Does not include a decrease in enrollment. The year we had the greatest drop in Enrollment, fall 2012, there was a 5% decrease. A 5% decrease in enrollment = \$4-5 Million reduction.
- Does not include funding from CUNY to cover the collective bargaining increase, professional hours or step increases.
- Does not include financial impact of the CARES funding of \$ 6,600,000

Projected Spending FY21:

\$ 115,903,000*

Does not include \$4.7m vacancies

Potential Budget FY21:

\$ 95,682,700*

(with a 8% State reduction and 5% enrollment decline)

Potential Budget Shortfall:

\$ 20,220,300

Notes:

- Based upon a 8% State budget reduction of \$ 8,469,500, and a 5% enrollment decline of \$ 4,500,000
- Does not include a tuition increase for September 2020
- FREEZE \$ 4,500,000 million in current vacancies (which includes critical health, safety, faculty and operational personnel).
- **Does not include CUTRA – it's one-time funding only, we need permanent funds to offset our operational costs**
- Includes a 5% decrease in enrollment estimated at \$4,500,000. The year we had the greatest drop in Enrollment, fall 2012, there was a 5% decrease.
- Does not include funding from CUNY to cover the collective bargaining increase, professional hours or step increases.
- Does not include financial impact of the CARES funding of \$ 6,600,000

Projected Spending FY21:

\$ 115,903,000*

Does not include \$4.7m vacancies

Potential Budget FY21:

\$ 93,565,300*

(with a 10% State reduction and 5% enrollment decline)

Potential Budget Shortfall:

\$ 22,337,800

Notes:

- Based upon a 10% State budget reduction of \$ 10,586,800, and a 5% enrollment decline of \$ 4,500,000
- Does not include a tuition increase for September 2020
- FREEZE \$ 4,500,000 million in current vacancies (which includes critical health, safety, faculty and operational personnel).
- **Does not include CUTRA – it's one-time funding only, we need permanent funds to offset our operational costs**
- Includes a 5% decrease in enrollment estimated at \$4,500,000. The year we had the greatest drop in Enrollment, fall 2012, there was a 5% decrease.
- Does not include funding from CUNY to cover the collective bargaining increase, professional hours or step increases.
- Does not include financial impact of the CARES funding of \$ 6,600,000

FY21 PRELIMINARY BUDGET PLANNING

What we shouldn't do:

- ▶ Across the board cuts – which is an easy short-term fix with long term ramifications that does nothing to further Lehman

What should we do?

