



NOTICE OF REGULAR MEETINGS

Please take notice of the 2023-2024 Regular Schedule of Meetings for the Board of Trustees of Ramapo College of New Jersey:

- Monday, October 2, 2023
- Tuesday, January 30, 2024
- Tuesday, April 16, 2024
- Wednesday, May 8, 2024 at 10:00 a.m. (Budget Hearing; No Official Action)
- Tuesday, June 25, 2024

Unless otherwise noticed, all meetings will be at **3:30pm** (Work Session) and at **6:00pm** (Regular Session) in the Trustees Pavilion at 505 Ramapo Valley Road in Mahwah, New Jersey 07430.

Unless otherwise noted, it is anticipated that official action will be taken at these meetings. Virtual meeting details, if available, will be made available at www.ramapo.edu/board.

The public may attend these meetings in person on the College campus or, if available, virtually via WebEx.

9/6/23 BWG

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FY25 Budget Open Forum

May 8, 2024



Presenters

Colleen O'Keefe, CFO, Vice President for Fiscal Health

Dr. Cindy R. Jebb, President

Dr. Christopher Romano, Vice President for Strategic Enrollment,
Outreach & Engagement, Executive Director of the RCNJ Foundation

Chris Tredici '21, Financial Systems Analyst, Office of Budget and Fiscal Planning

Dr. Michael Middleton, Provost & Vice President for Teaching, Learning & Growth

Dr. Mike Yankovich, Vice President for Operational & Administrative Integration

Agenda

- Higher Education & Today's Environment
- State of New Jersey Budget
- Ramapo College
 - Historical Perspective
 - Budget FY25
 - Our Way Forward
- Questions?

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Higher Education & Today's Environment



Fitch Ratings Education Outlook 2024



The US higher education sector faces

- Labor and wage pressure
- Elevated interest rates
- Mild and uneven recovery in enrollment
- Inability to raise tuition enough to cover rising costs

Top Three Challenges Over the Next 5-10 Years

Ranking by financial leaders based on greatest financial impact:

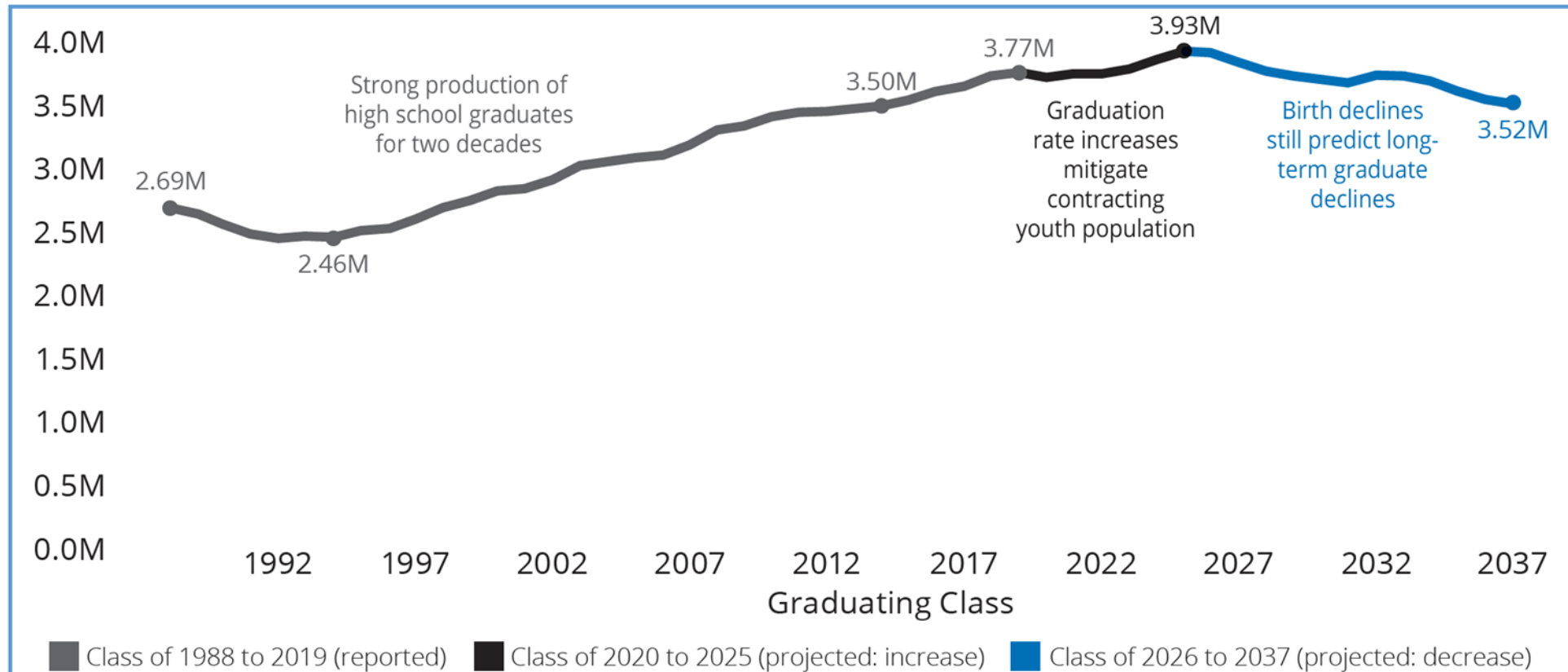


Pressures on Higher Ed

- Value and cost of education
- Student debt levels
- Graduation rates and retention challenges
 - Mental health issues
 - Skills gap for some students
- Increased post high school graduation alternatives
 - Gap years
 - Straight to jobs
 - Apprenticeships, certificate programs and vocational training
- Post graduation employment environment
- Shortages – teachers, nurses, trades, and counselors (graduate programs)

Future High School Graduates

Figure 1. Slowing Growth in Number of U.S. High School Graduates, then Decline (U.S. Total High School Graduates)



Source: Western Interstate Commission for Higher Education, *Knocking at the College Door*, 10th edition, 2020. See [Technical Appendix](#) for detailed sources of data through the Class of 2019; WICHE projections, Class of 2020 through 2037.

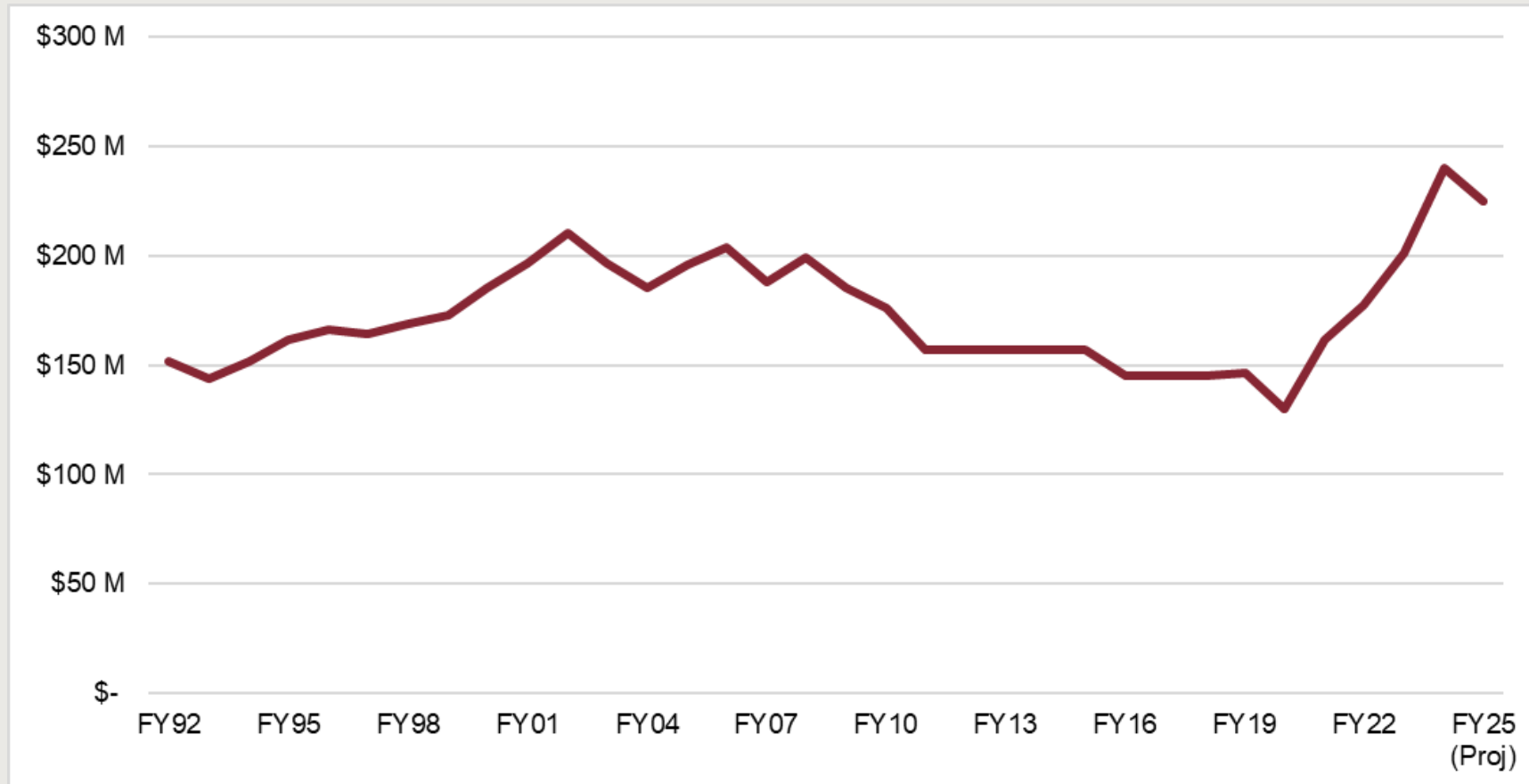
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Higher Ed in New Jersey



NJ State Appropriations

Ramapo, TCNJ, Kean, NJCU, Stockton & William Paterson



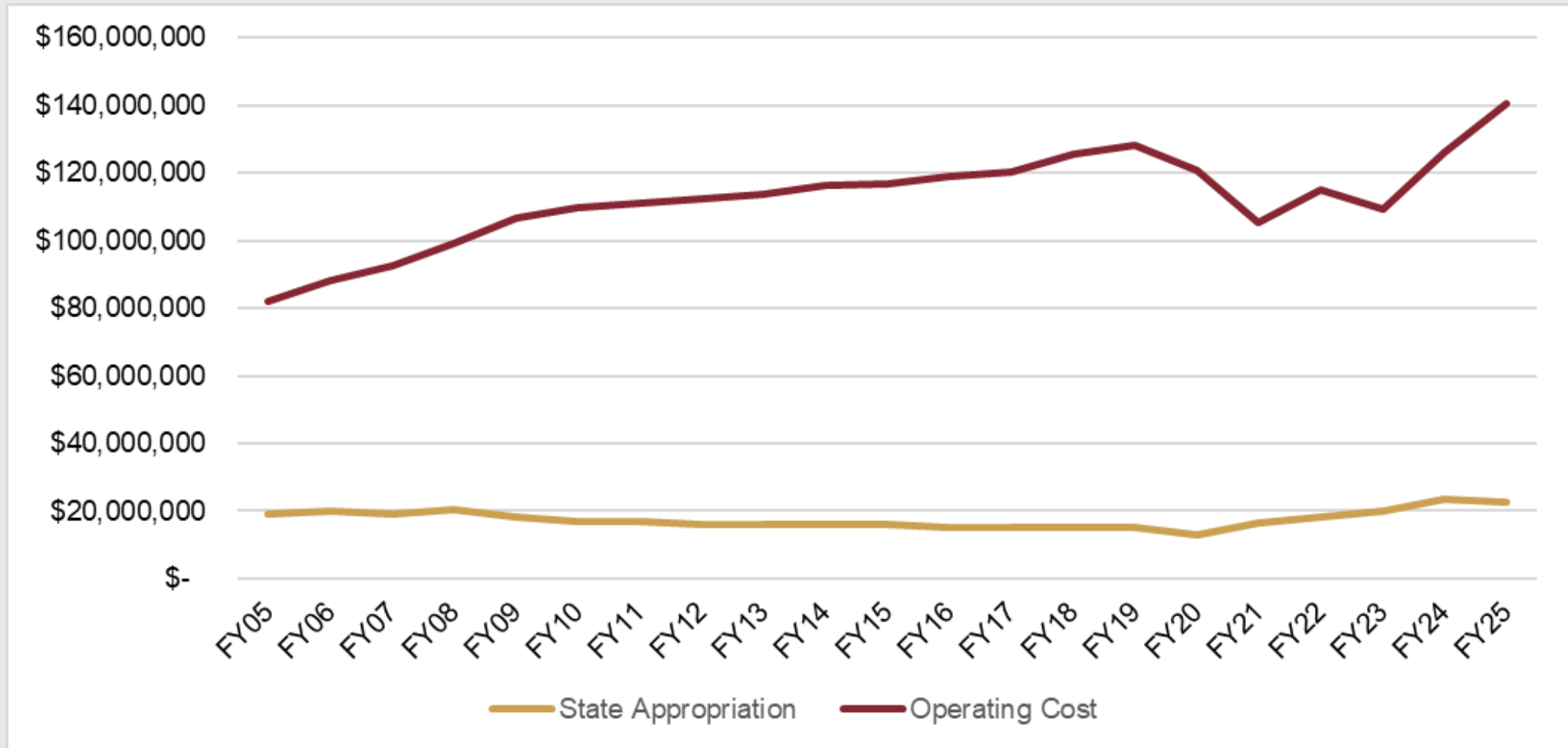
Does not include fringe

Ramapo's State Appropriations

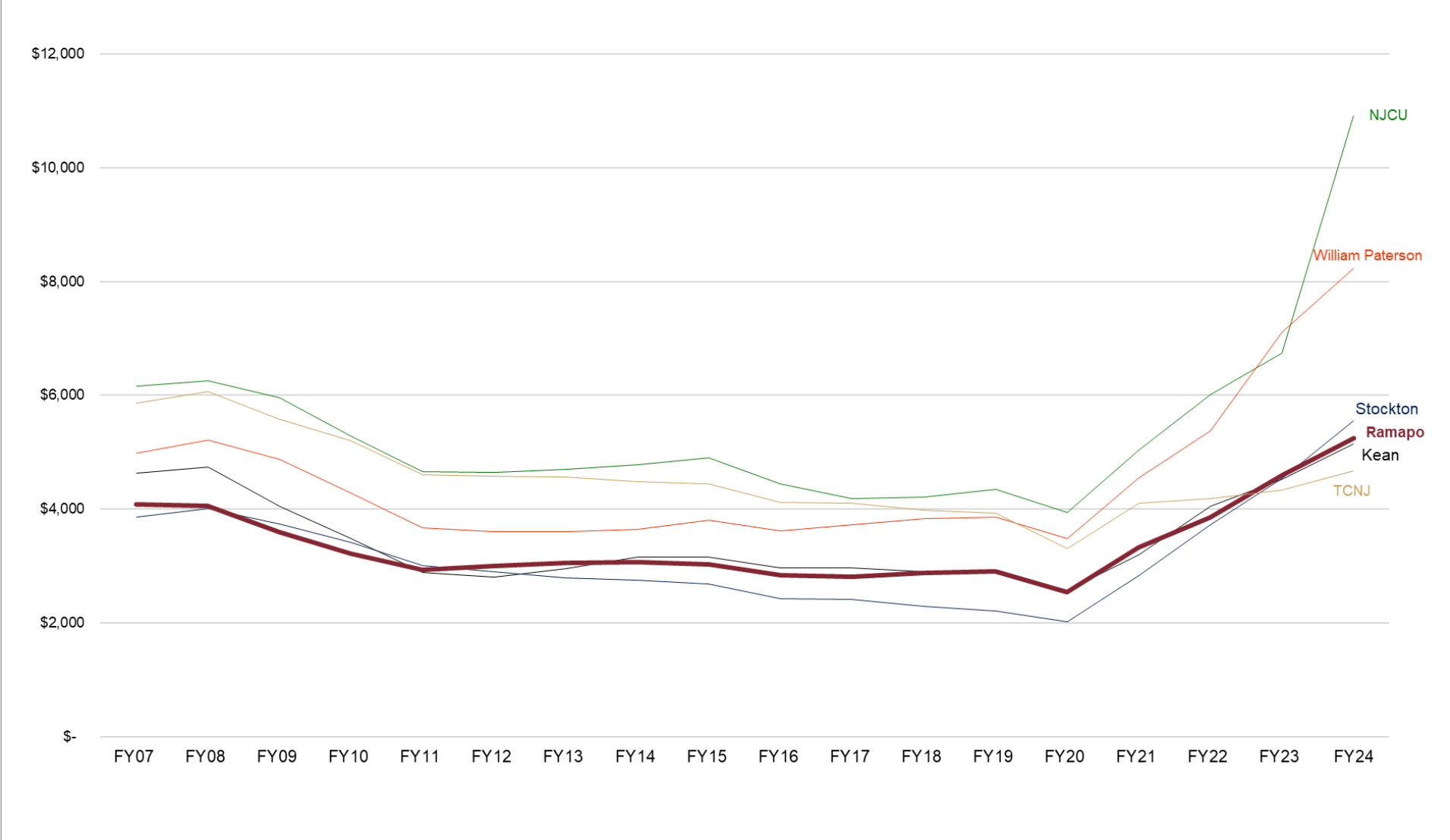


	Expected FY24	Budgeted FY25
\$ in thousands		
Operations	\$ 18,781	\$ 18,781
Nursing Expansion	1,000	-
Subtotal	<u>19,781</u>	<u>18,781</u>
Outcome Based Allocations	3,913	3,763
Operational Total	<u>\$ 23,694</u>	<u>\$ 22,544</u>

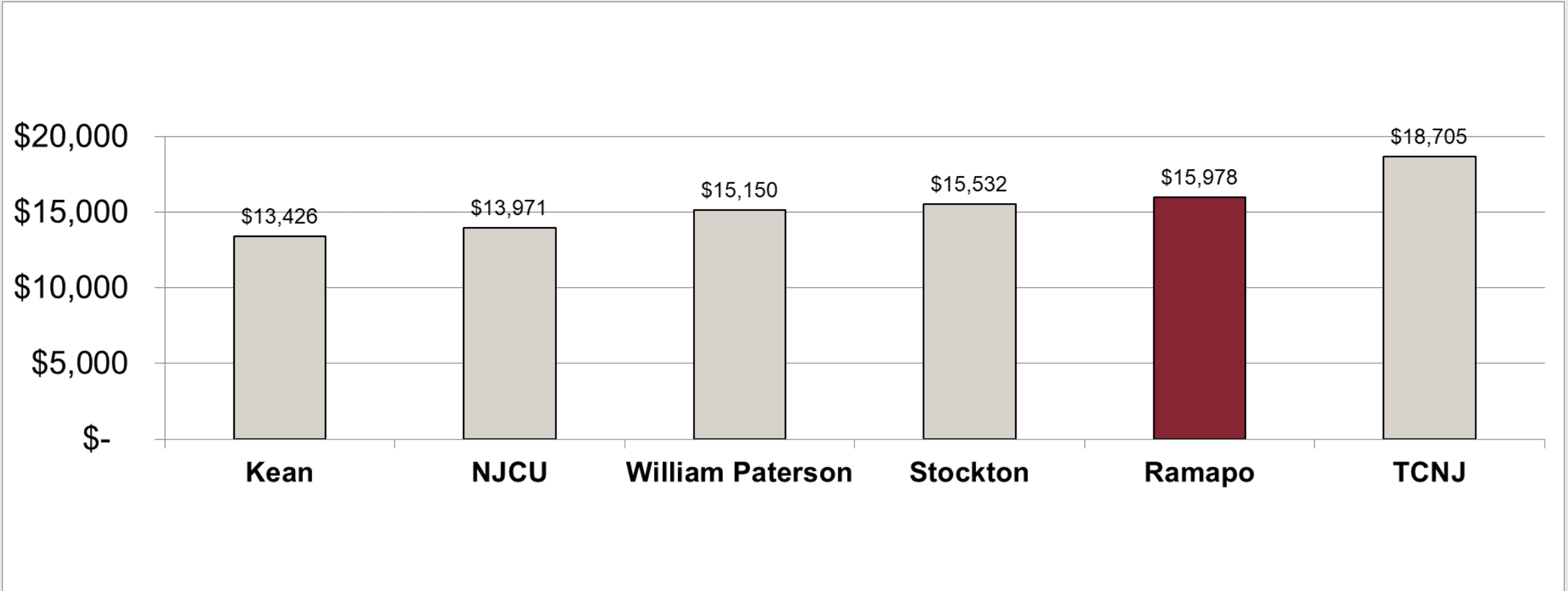
Ramapo's State Appropriation vs Operating Costs



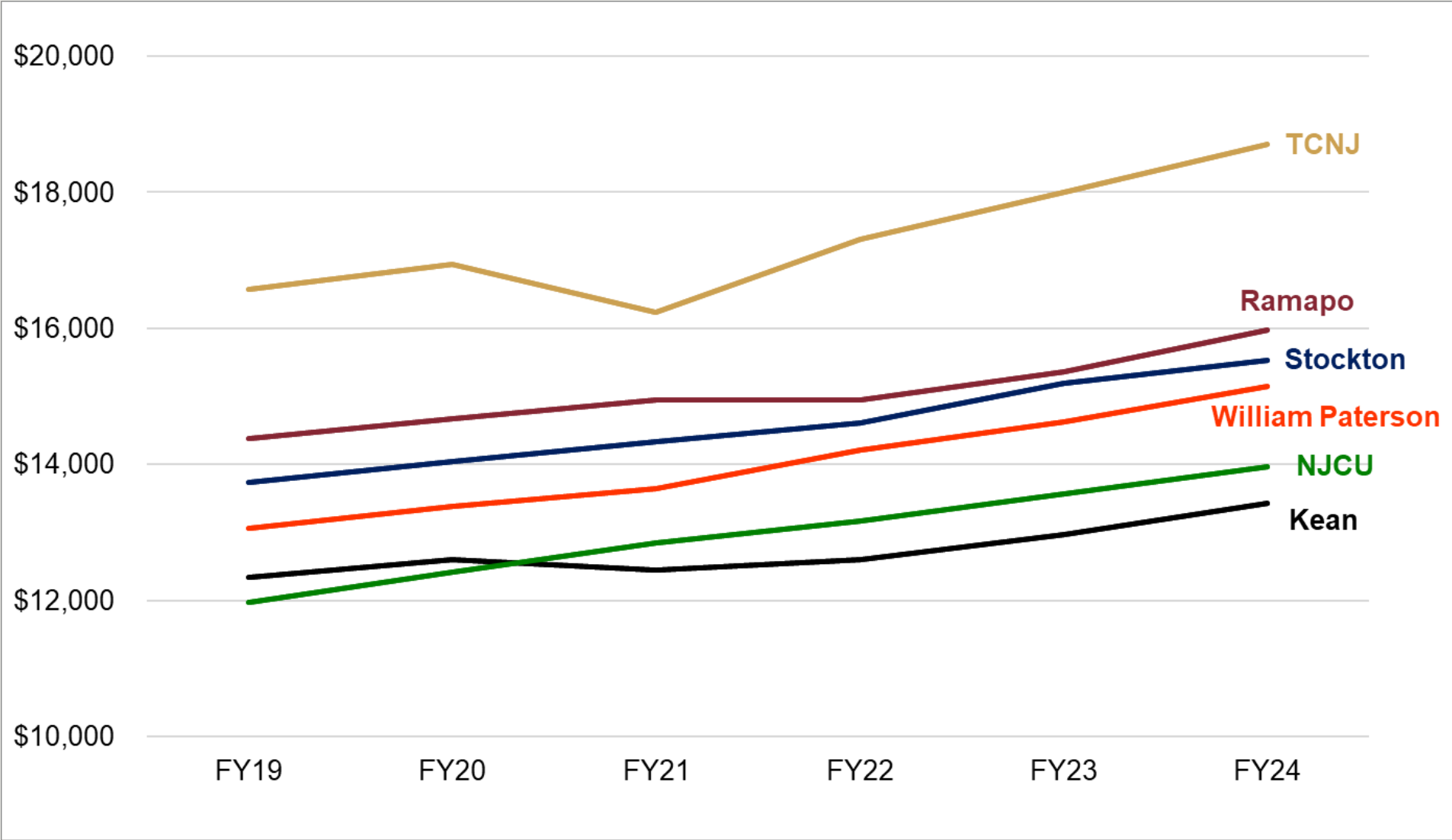
State Appropriation per UG FTE



FY24 Annual In-State Tuition & Fees



Annual In-State Tuition & Fees



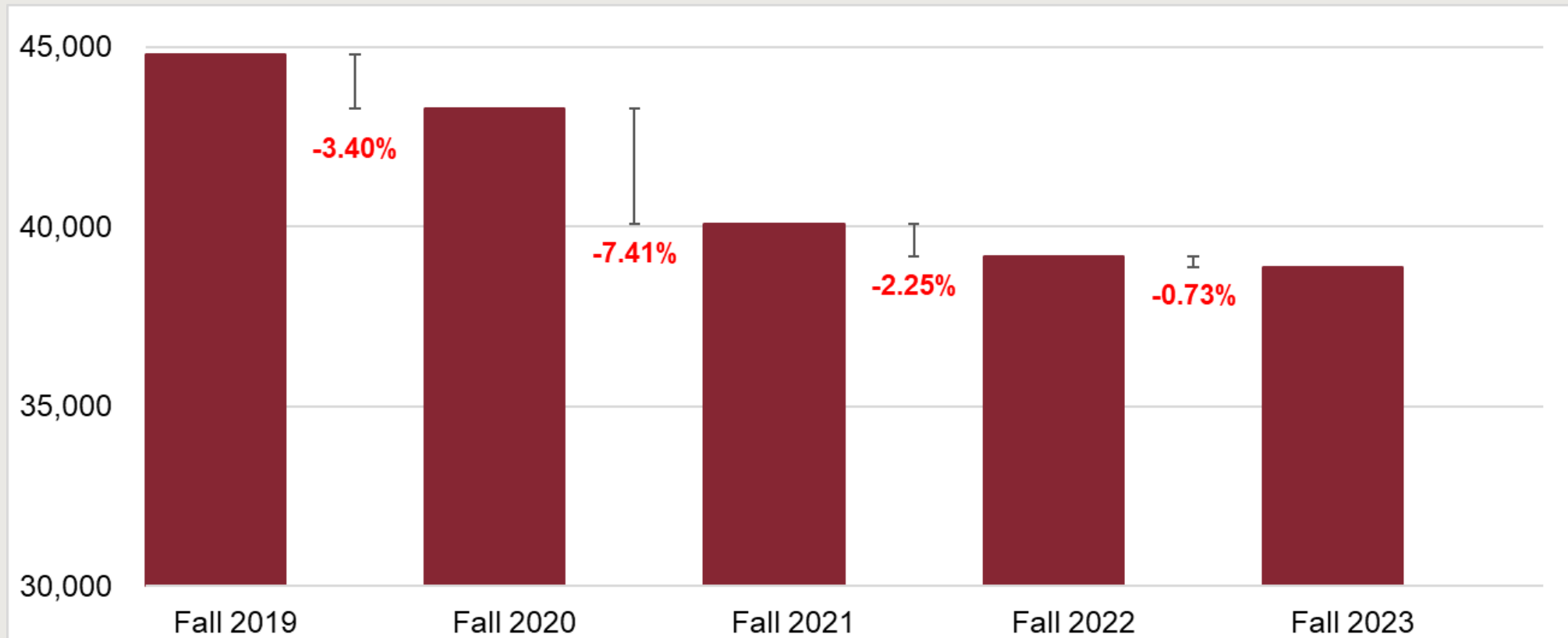
Net Migration of Students

New Jersey Migration		
Into State	Out of State	Net
7,408	35,060	-27,652

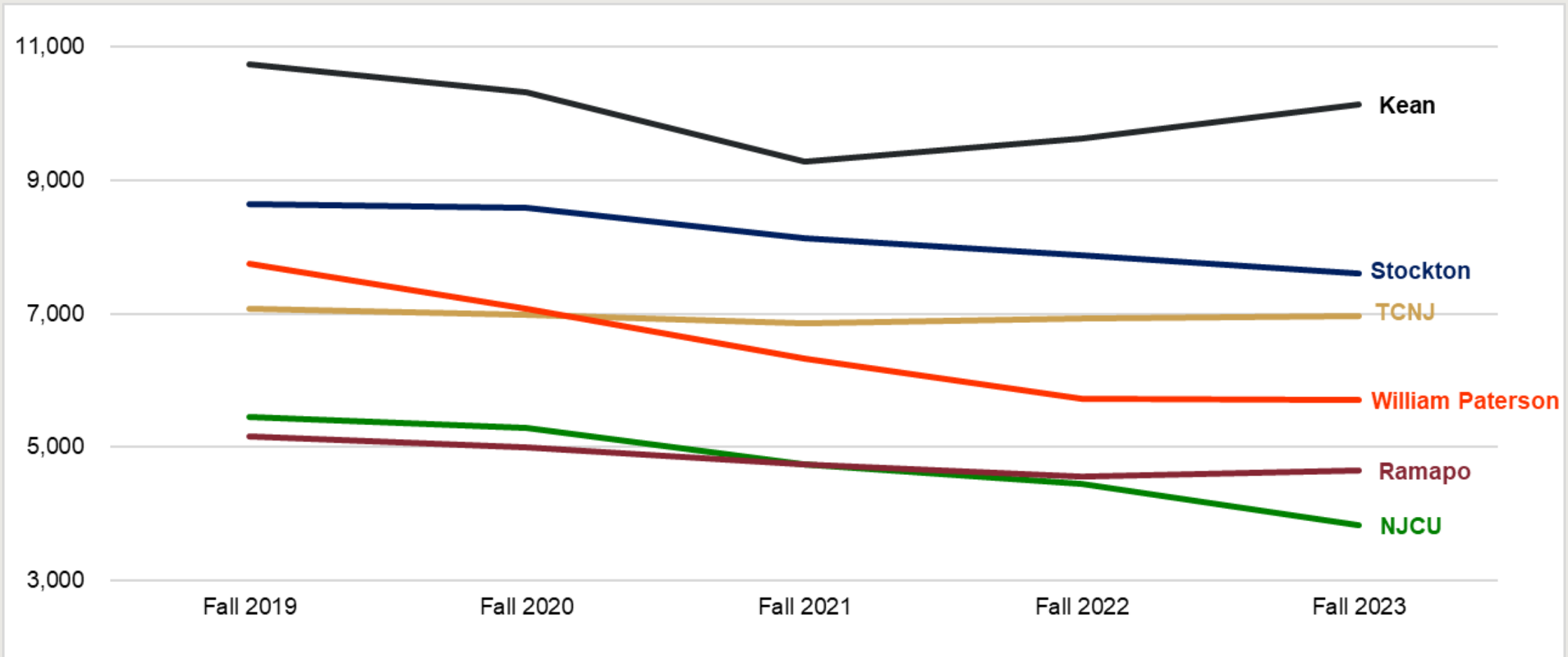
New Jersey is the national leader in net out-of-state migration

NJ Undergraduate Enrollment: Fall FTE

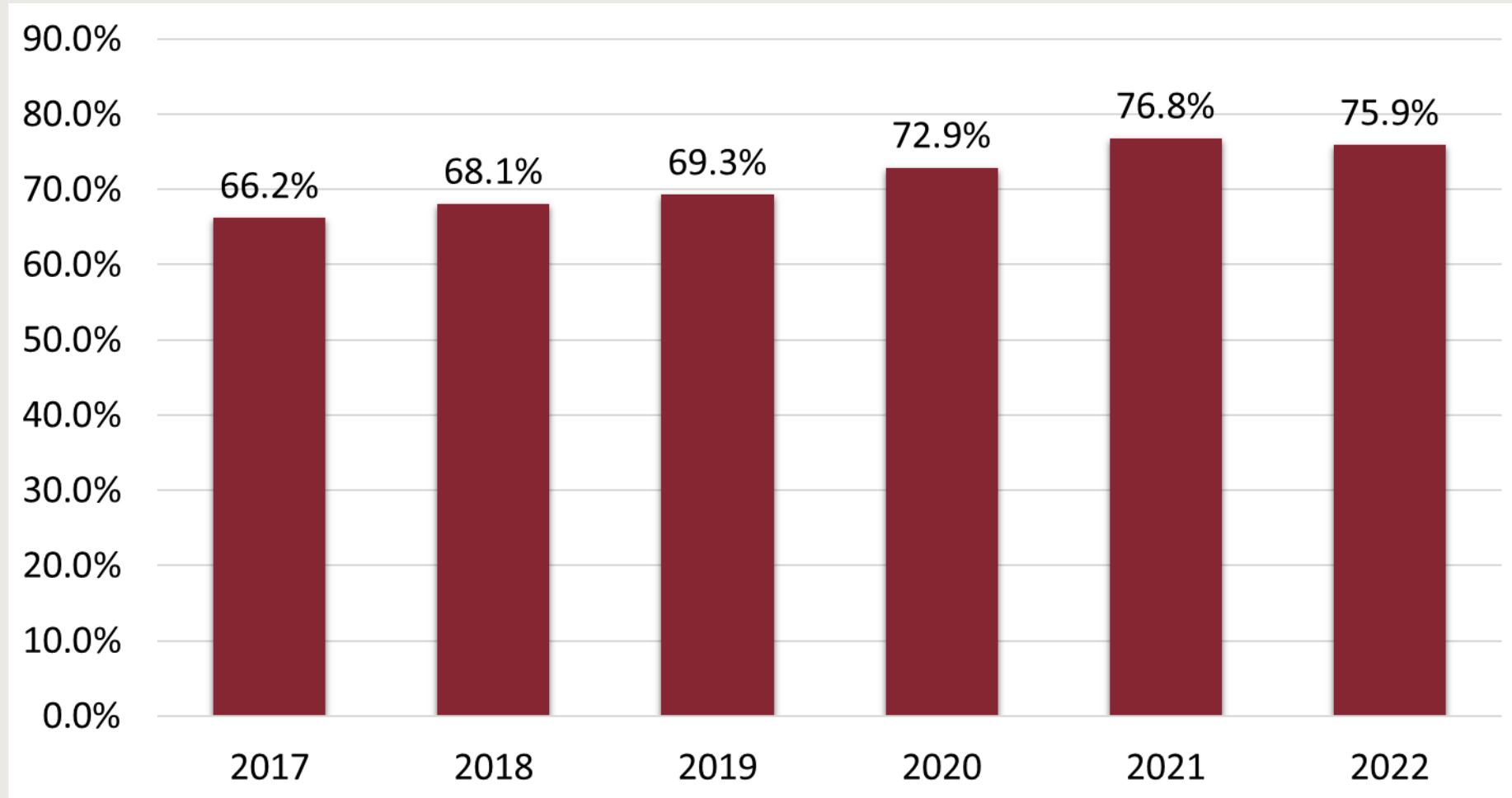
Ramapo, TCNJ, Kean, NJCU, Stockton & William Paterson



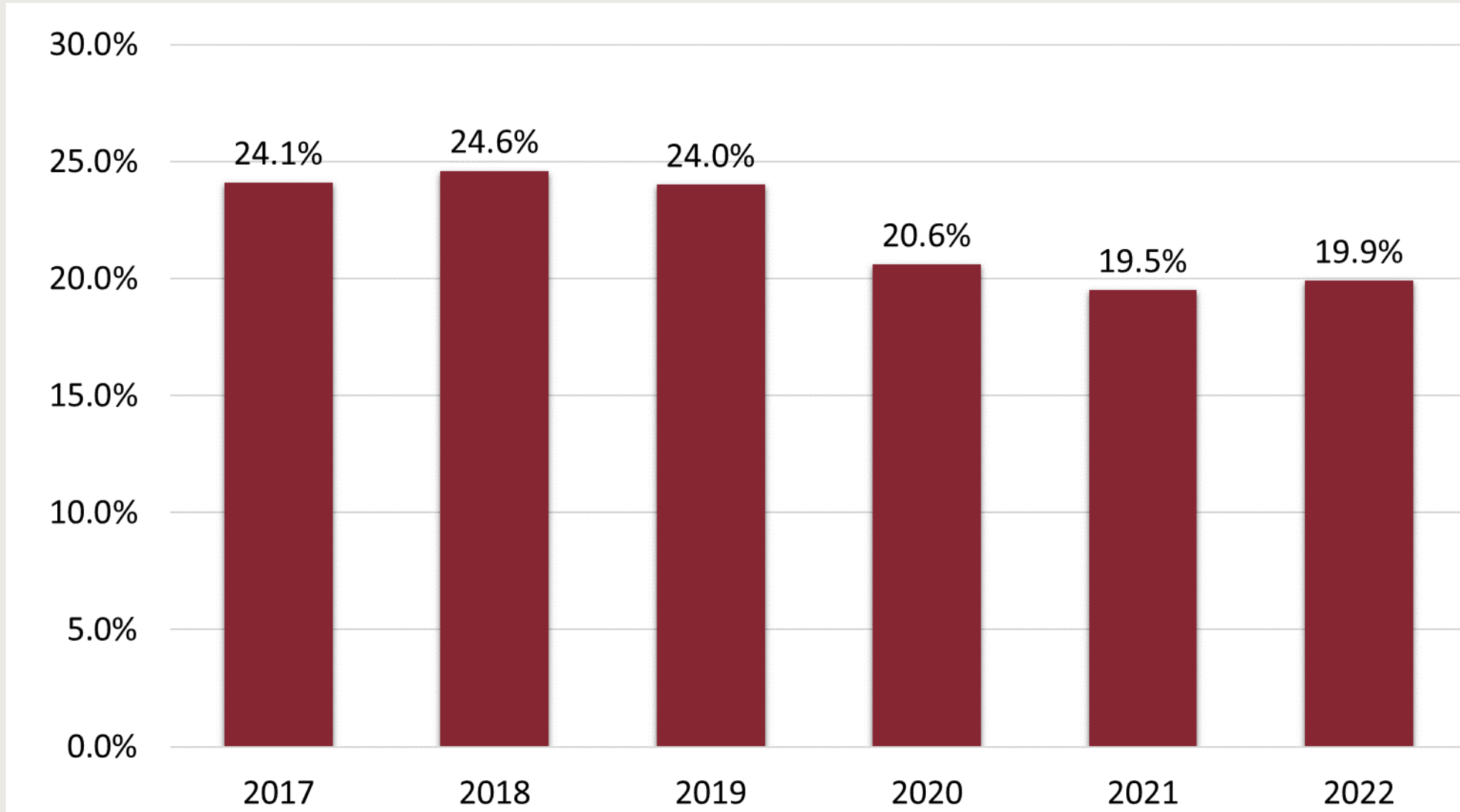
NJ Undergraduate Enrollment: Fall FTE



Acceptance Rate Among NJ 4-Year Public Colleges



Yield Among NJ 4-Year Public Colleges



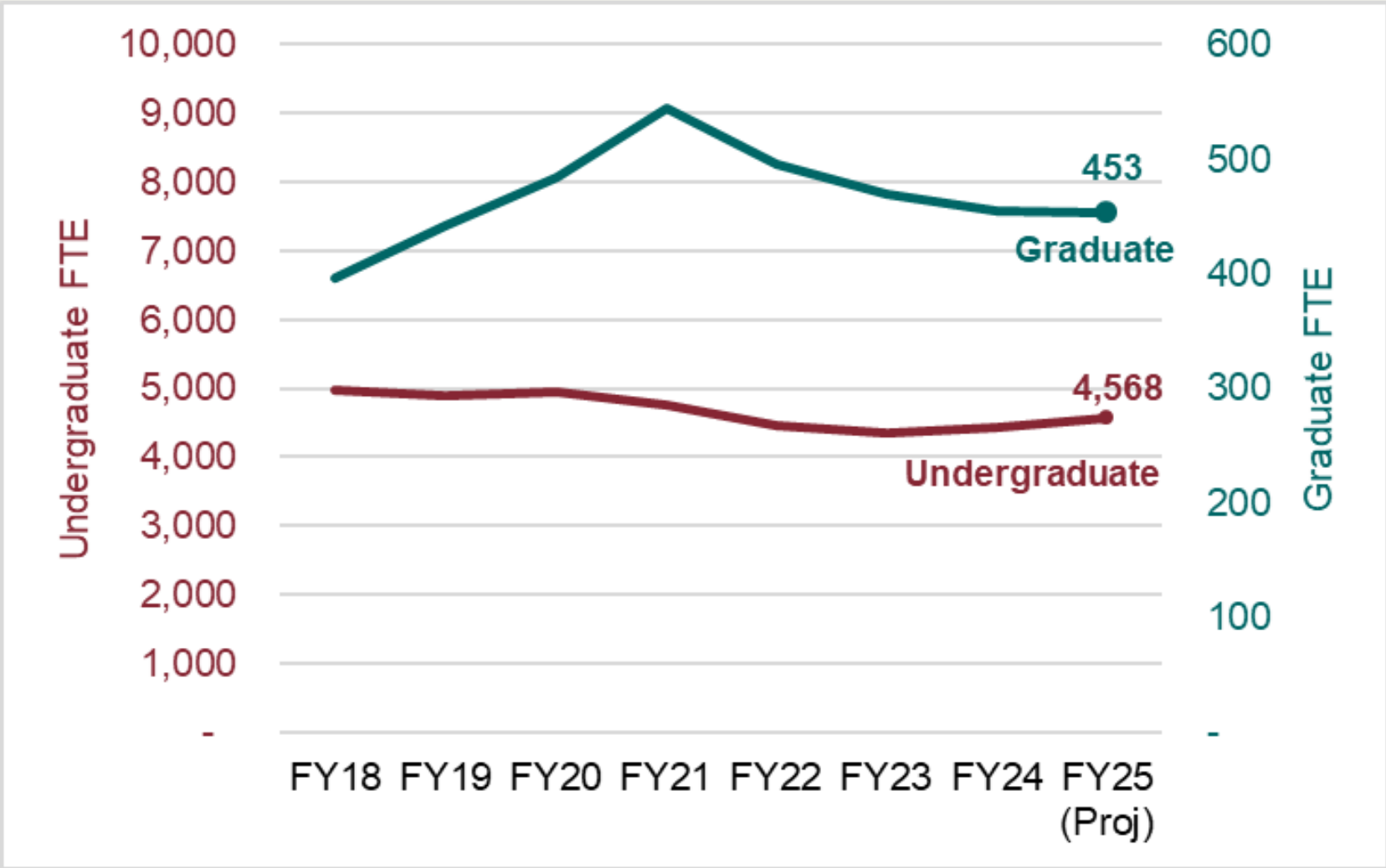
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Ramapo College

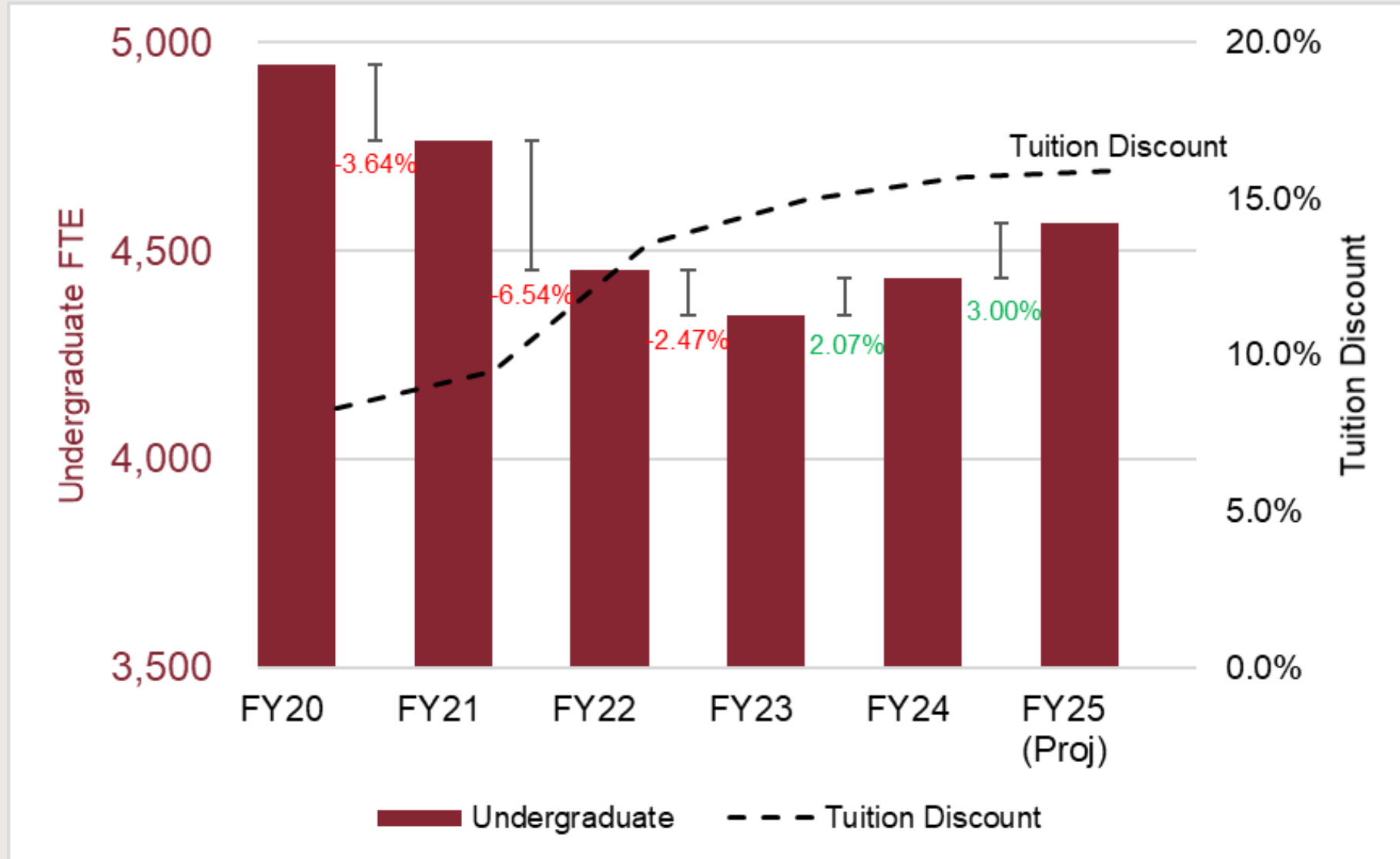


Annualized Enrollment: FTE



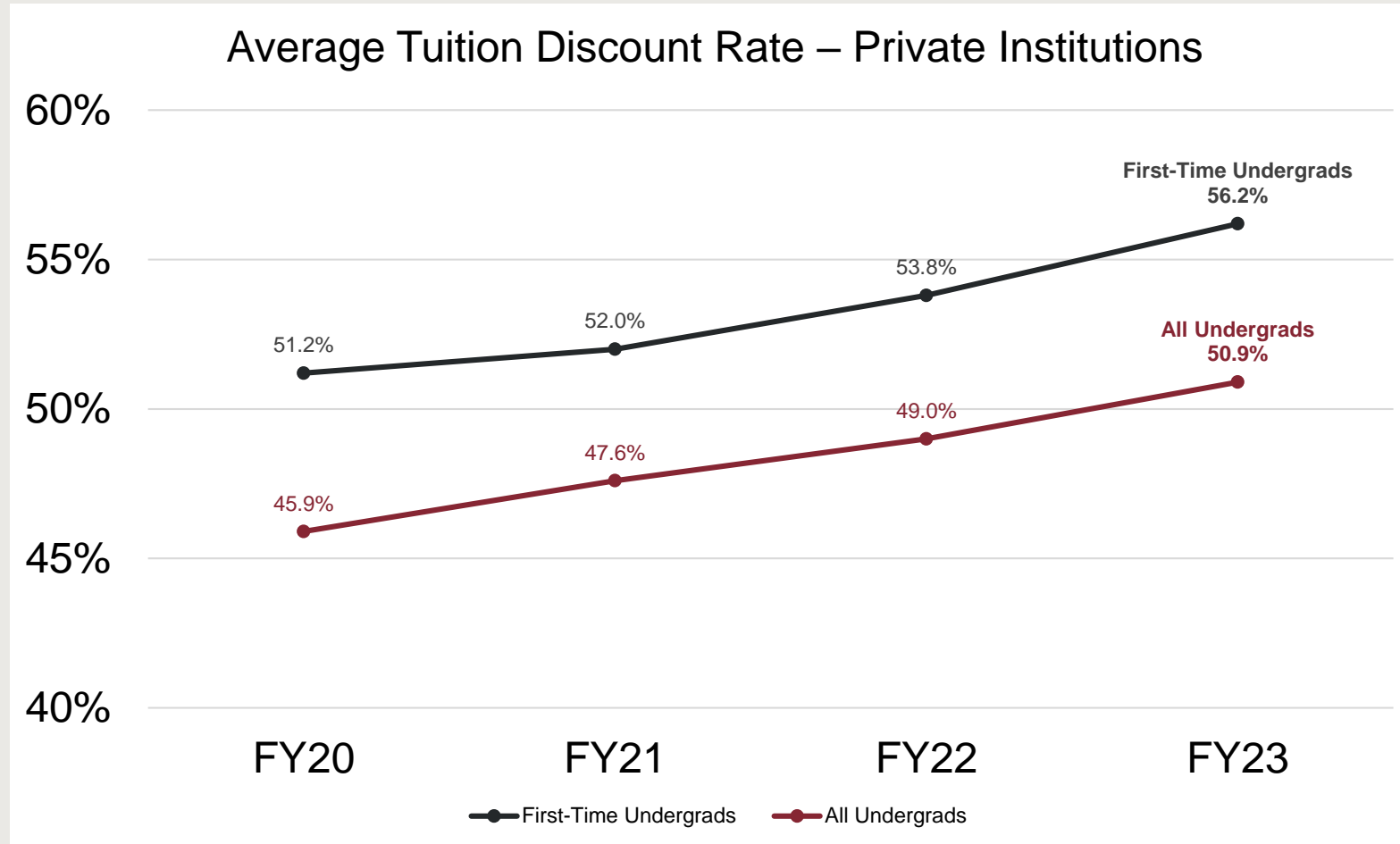
Undergraduate is Fall and Spring enrollment, Graduate is full year enrollment.

Ramapo Annualized Undergraduate FTE vs Tuition Discount Rate

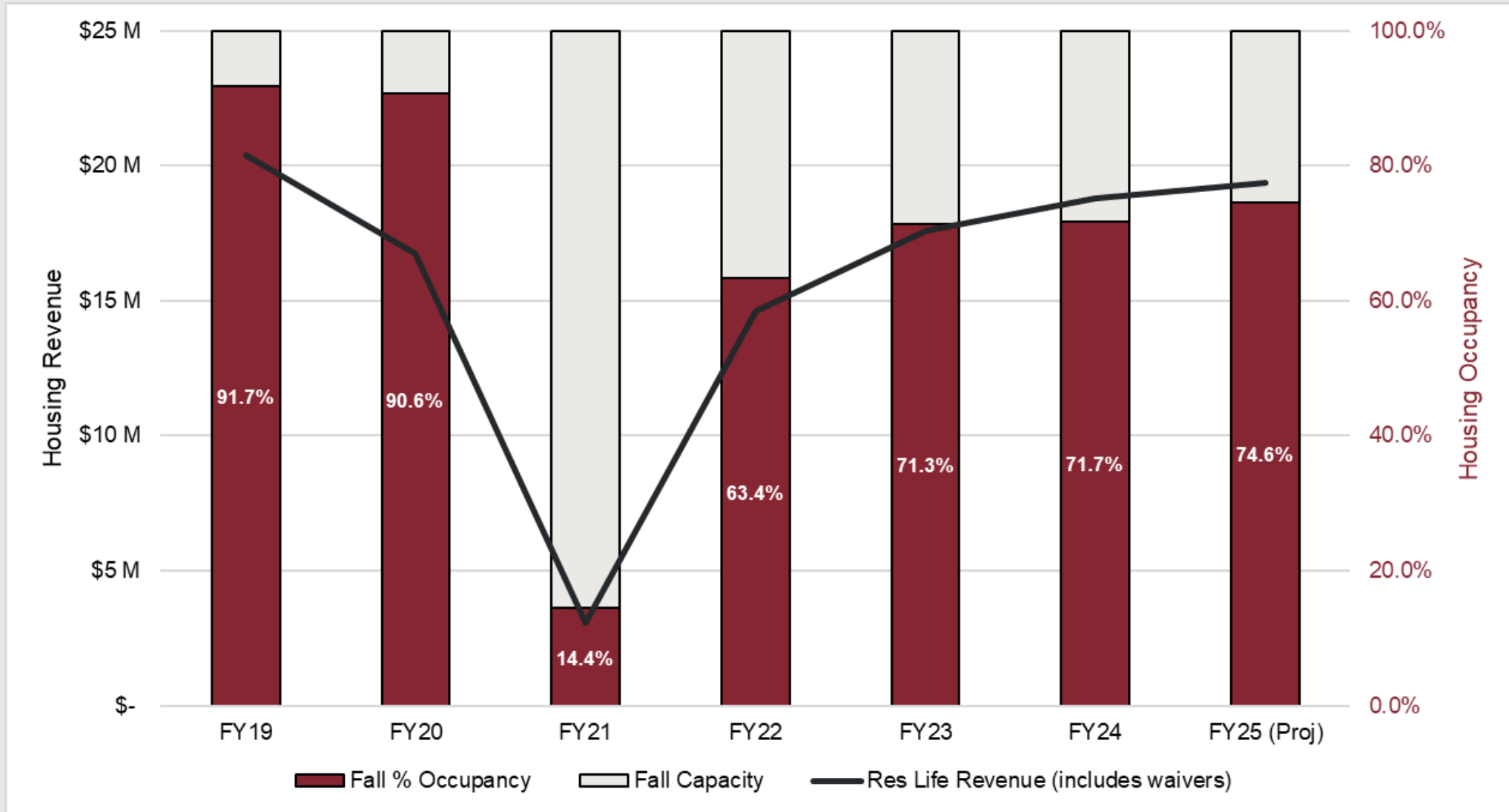


Notable Trend:
National Average
Discount Rate
Rising Significantly

Increasing Discount Rate (Private Institutions)



Housing Occupancy vs Revenue

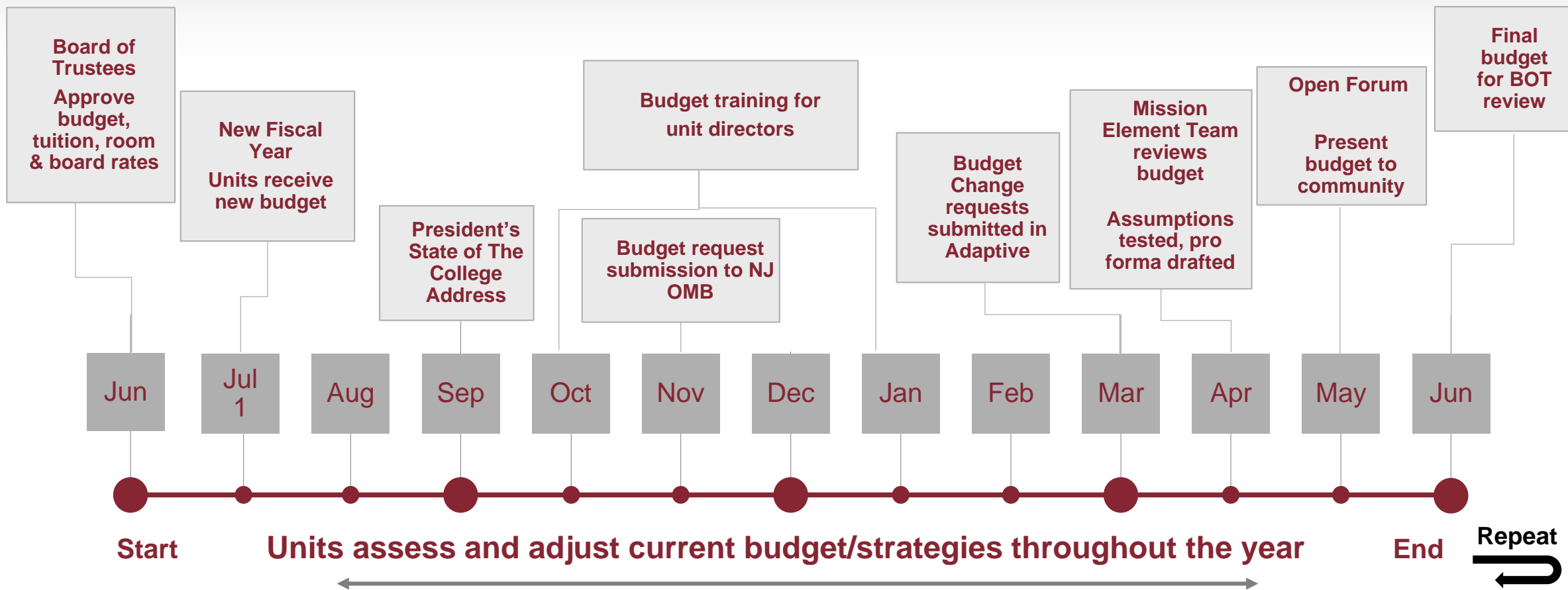


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FY25 Budget



Budget & Planning Cycle



Principles of Budget Development

- Resources focused on the mission of the College and strategic priorities
- Planned use of resources will not exceed estimated resources available
- College is committed to maintaining resources in order to sustain overall financial health
- Focus is a **Balanced Budget**

FY25 Budget Considerations

Currently evaluating a 3-5% increase for both tuition and housing rates
In-state tuition moves to \$8,228-\$8,398 semester/\$16,456-\$16,777 annually

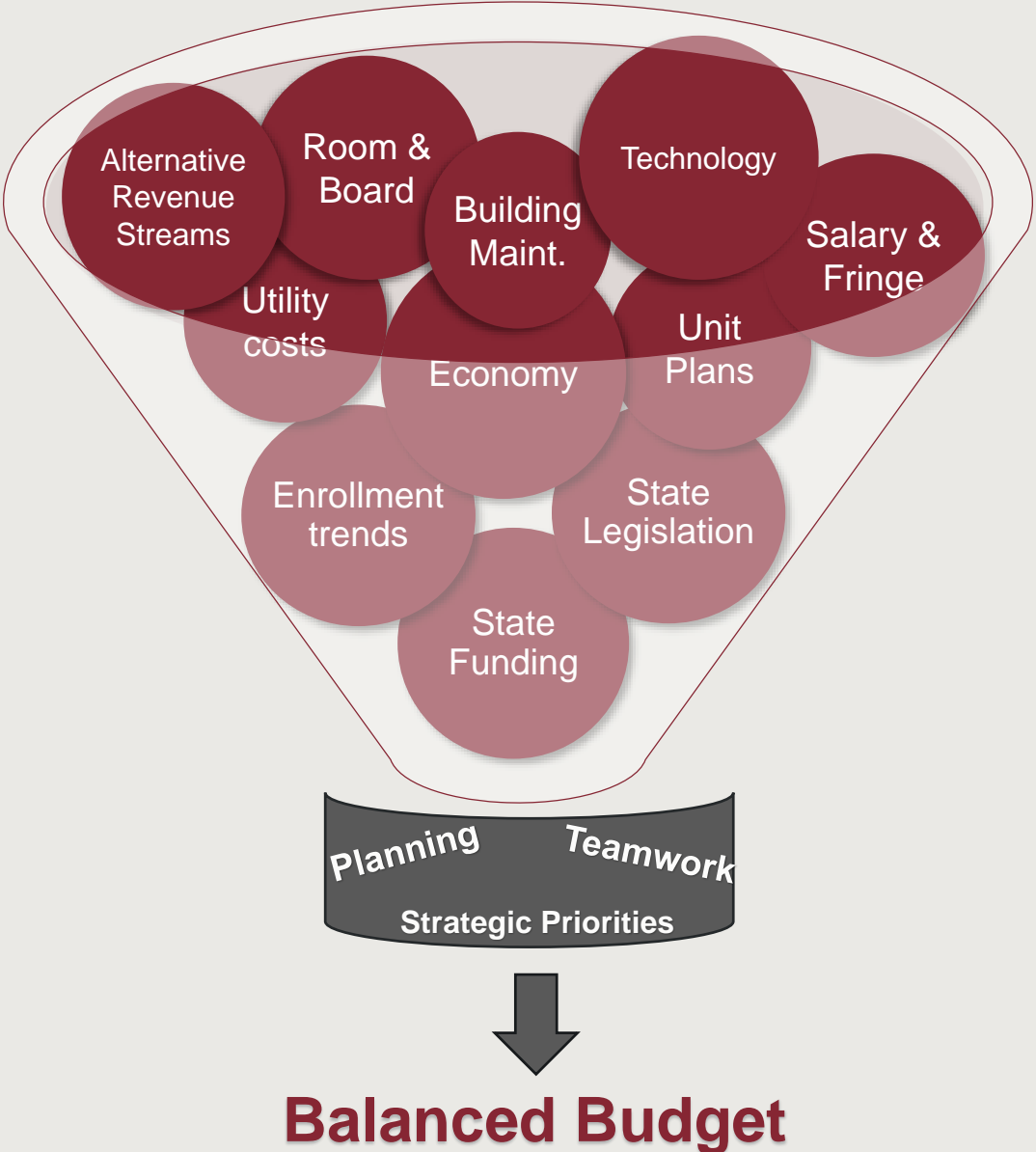
Major factors impacting this rate:

- State appropriations slightly lower than prior year
- Inflation rates and CPI continue to increase through March 2024
- Union contracts finalized with 3.5% COLA and approximately 3.5% step increases annually
- Estimated FY25 tuition rate increases:
Rowan 5% (Actual) NJCU 3-5% WPU 3-4% Stockton 3-4%
- Full Pell and full Tag increasing to \$16,891; Ramapo's most disadvantaged population will be fully covered
- Full-time fringe rate budgeted at 85%, currently up from 77%

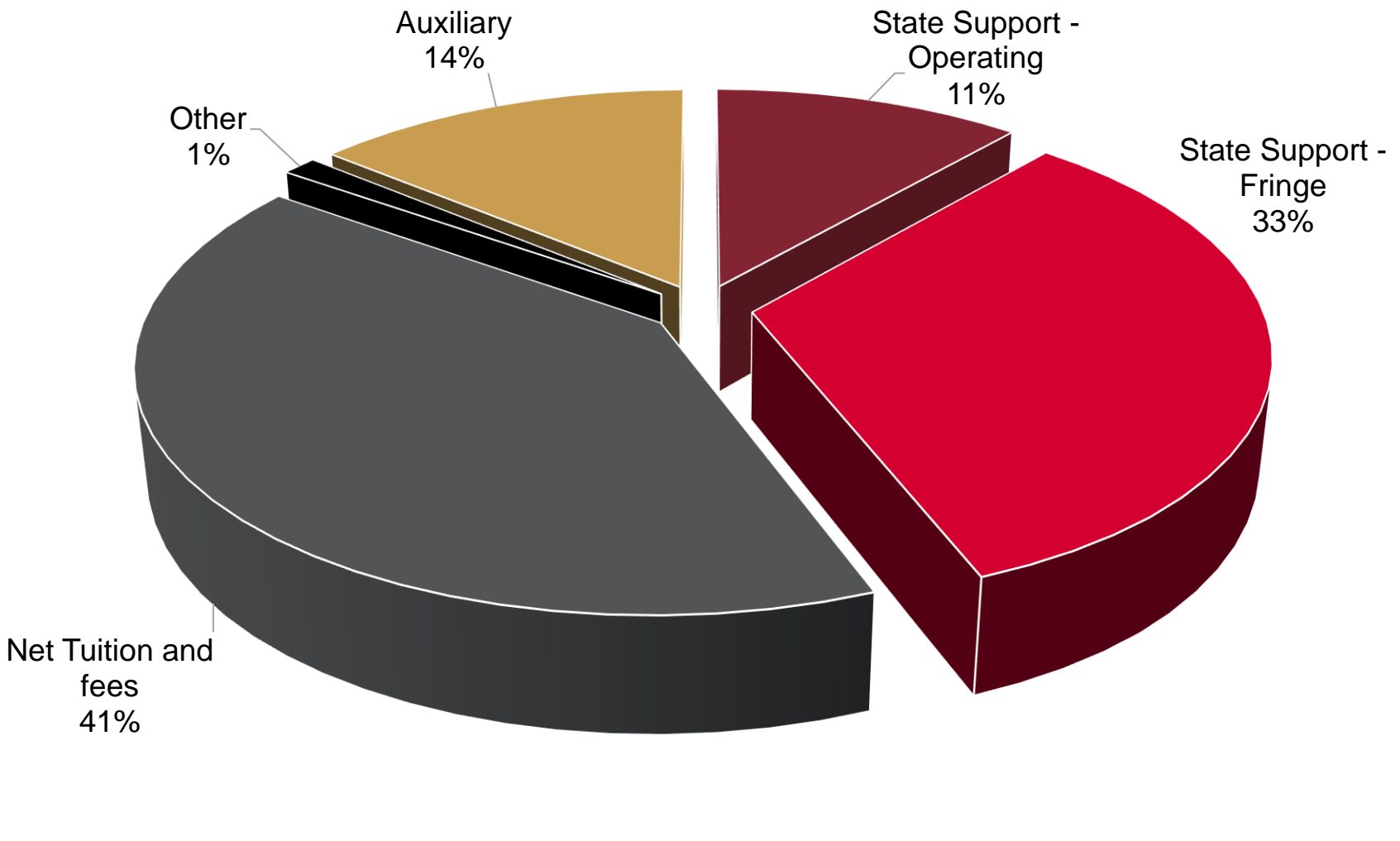
FY25 Budget Considerations

- Tuition waivers up approximately 17% from FY24
- Undergraduate enrollment (FTE) for Fall 2024 is budgeted 3.1% higher than Fall 2023. **Ability to estimate significantly impacted by FAFSA delays**
- Graduate enrollment is budgeted to decrease 5% for FY25 compared to FY24
- Average occupancy is budgeted at 72.7% as compared to 69.3% in FY24
- Deliberate position review and controls, significant number of positions frozen
- Increasing need for infrastructure and other deferred maintenance

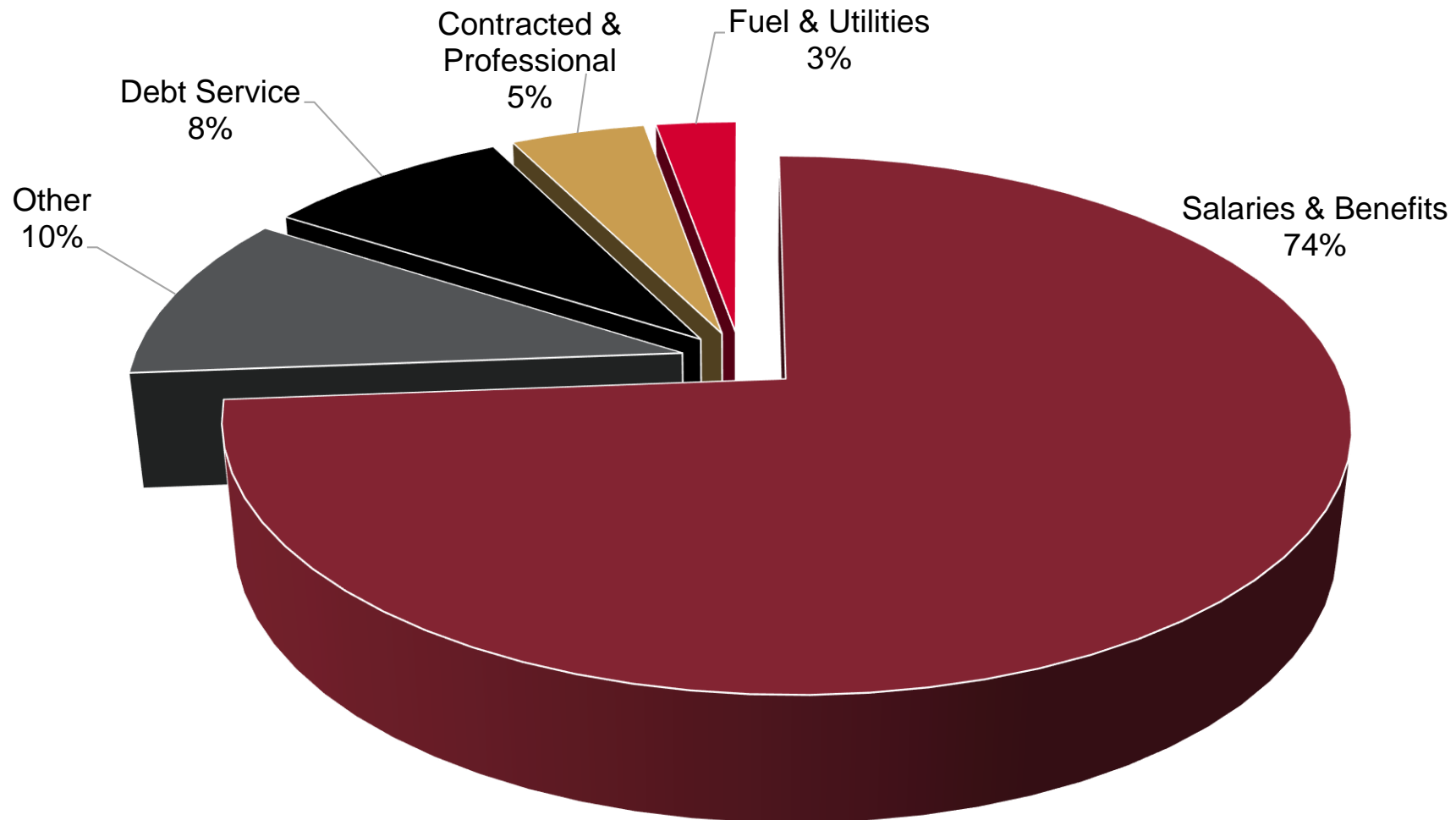
Budget Development



Sources of Revenues FY25 Budget Estimate



Expenditures by Category FY25 Budget Estimate



Financial Summary

(dollars in thousands)	FY23 Actual	FY24 Projection	Preliminary FY25 Budget Estimate
Income:			
Net Tuition & Fees	\$ 73,243	\$ 79,775	\$ 79,145
Government Appropriations & Grants	62,762	71,420	87,236
Auxiliary Enterprise Revenue	26,065	28,186	28,540
Interest & Other	2,746	4,767	2,179
Total Income	<u>164,816</u>	<u>184,149</u>	<u>197,100</u>
Expenditures:			
Salaries & Wages	109,604	127,210	151,797
Non-Salary Expenditures	30,497	35,396	37,049
Debt Service	10,656	12,368	17,522
Total Expenditures	<u>\$ 150,758</u>	<u>\$ 174,974</u>	<u>\$ 206,367</u>
Change in Net Position	\$ 14,058	\$ 9,175	\$ (9,267)
Change in Net Position %	8.5%	5.0%	-4.7%
Other Transfers (Capital)		(4,777)	
Projected change to Net Assets	\$ 14,058	\$ 4,399	\$ (9,267)
Revised Net with tuition & housing increase, additional interest, change requests, salary savings			\$ (3,883)
<i>Debt Savings (Principal)</i>	8,032	6,449	797
Net Change without Debt Savings	\$ 6,026	\$ 2,727	\$ (10,065)

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Our Way Forward



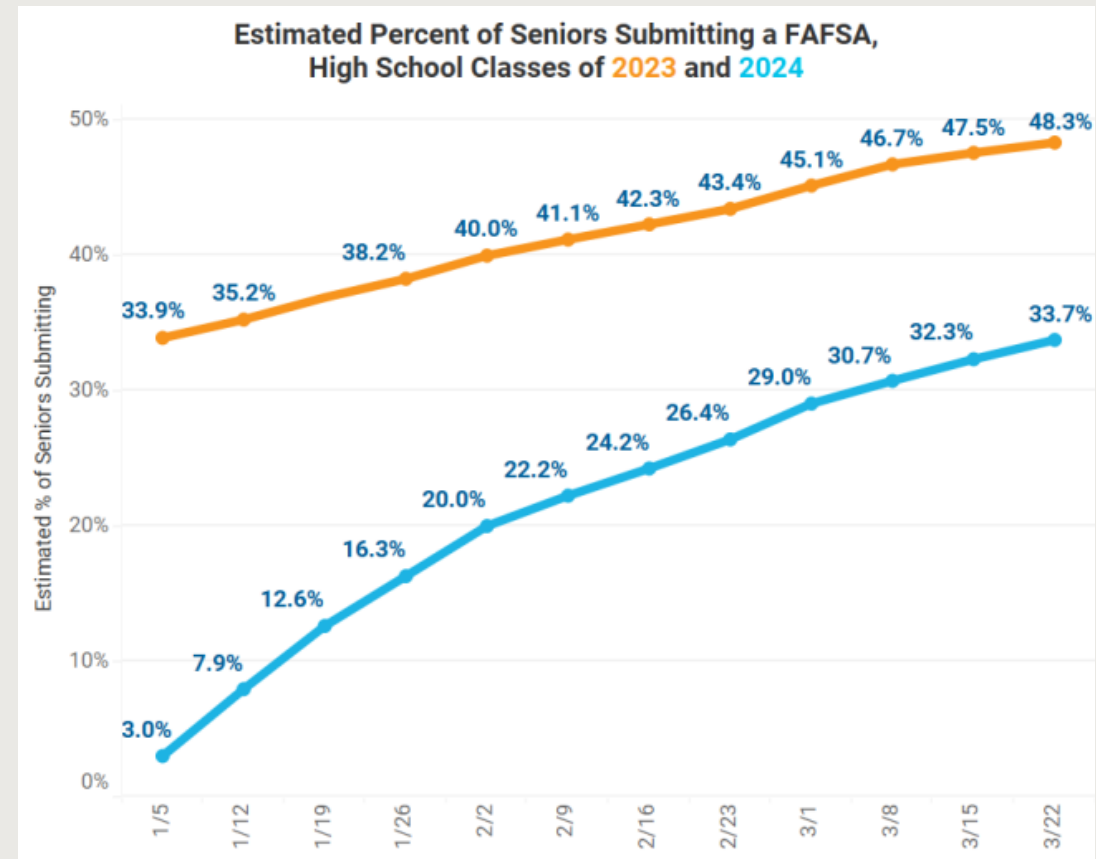
All Hands On Deck

- Boldly Ascending Strategic Plan
- Comprehensive Facilities Plan
- Comprehensive Academic Plan
- Enrollment Strategies
 - Maintain strong enrollment management efforts/evaluate student discount model
 - Assess market, needs of students (financial, academic, & support)
 - Continue efforts to maintain strong retention
 - Partnerships with two year institutions
- Diversified Revenue Streams
 - PNP
 - Grants
 - Rental Income and Summer Revenue

Enrollment Context- This Year and Uncertainty



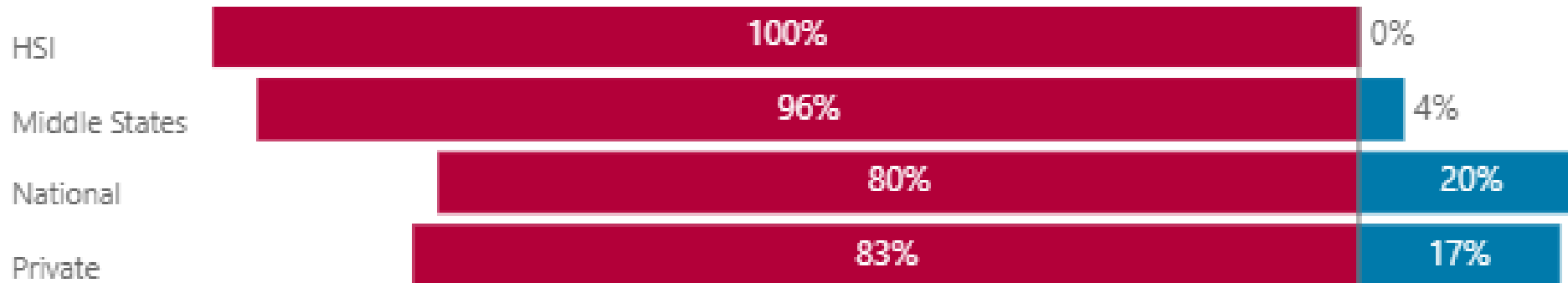
FAFSA Completions for high school seniors down 40% nationally.



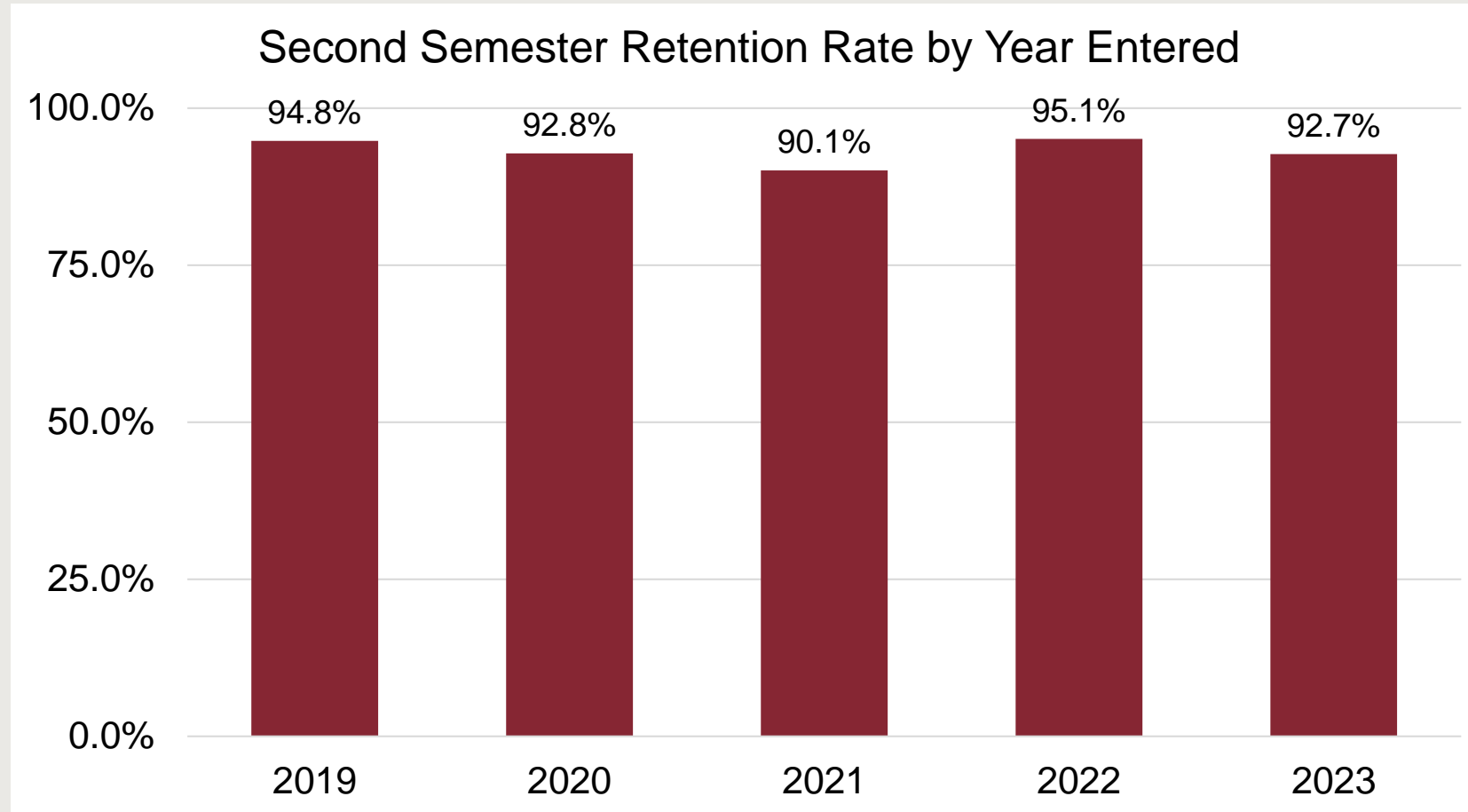
Impact on Student Decision

What percentage of schools in each cohort are down/up in net deposits?

● Down ● Up



Second Semester Retention



Fall 2022 – Spring 2023, semester to semester retention returned to pre-pandemic levels

Major Gifts and Scholarship this fiscal year

- Foundation will award \$860K in scholarships in 23/24 academic year - a 22% increase over 5 years
- \$250,000 scholarship for Nursing Students
- \$10,000 for ENHANCE program to establish ENHANCE endowment
- \$10,000 to support Office of Specialized Services
- \$20,000 to establish endowment for Entrepreneurship
- \$145,000 bequest for First-Generation student scholarships
- \$20,000 Study Abroad Scholarships
- Over \$70,000 for We Care Student Relief Fund this year.
- \$100,000 multicultural student scholarship

Priority Needs Proposals (*only private funding*)

Presidential Scholarships	\$486,056
EOF Student Scholarships	\$33,000
Digital Humanities Projects	\$83,418
ENHANCE Therapeutic Support Program	\$33,470
First-Generation Student Center	\$26,212
Gross Center for Holocaust and Genocide Studies	\$190,186
Berrie Center for Performing and Visual Arts	\$10,000
Investigative Genetic Genealogy Center	\$340K (\$100k pledge for following year still coming)
Center for Data, Mathematical & Computational Sciences	\$17,000

Total Raised since 7/1/22: \$1.3 M

New Academic Programs

- Updated curriculum review process
- Focus on grants (\$4.6 million in submissions pending)
- Upcoming new programs
 - Cybersecurity
 - Filmmaking
 - Theater and Film
 - Healthcare Administration
 - Master's in Public Policy
 - Master's in Creative Writing
- Review and realignment of course fees and lab fees

Select FY24 Grants

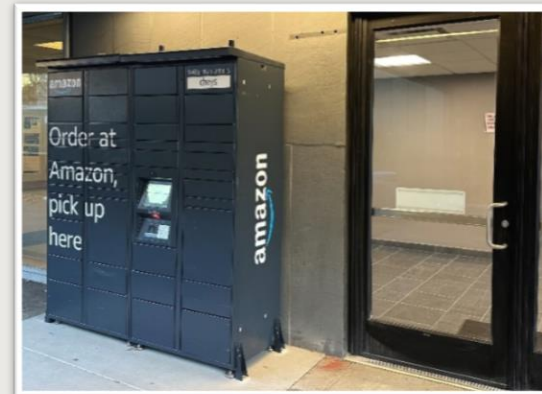
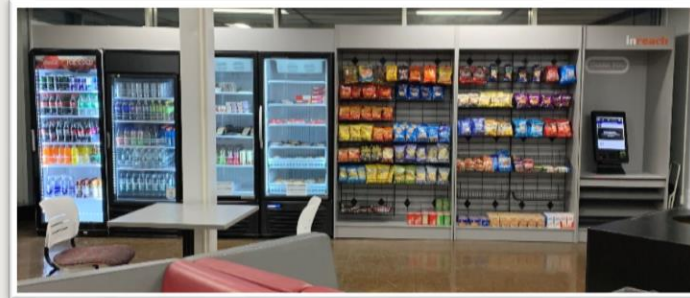
Ronald E. McNair Postbaccalaureate Achievement Program	\$272,364
Some College No Degree	\$150,000
NJ Climate Change Professional Development	\$650,000
Hunger Free	\$ 67,730
Jane Addams NHPRC	\$160,000
Firehouse Subs Foundation	\$ 28,244
Specialized Services TRIO Grant	\$327,923
Upward Bound Math and Science	\$313,538
NJ State Council on the Arts	\$ 66,004
EV Vehicle Grant Program	\$ 18,000
Englewood Makes History	\$ 15,000

Alternative Net Revenue

	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24 Proj</u>
Events & Conferences (annual)	\$37,250	\$136,025	\$297,181	\$185,440
Investment Income (annual)	\$189,253	\$98,255	\$2,738,890	\$4,300,000
Summer Courses	\$4,279,630	\$3,715,852	\$3,934,657	\$4,327,583
MLA Summer Program	-	\$75,000	\$114,040	\$507,634
Residence Life Summer Rentals	-	\$14,933	\$22,400	\$96,740
IGG	-	-	-	\$28,630
Total	\$4,506,132	\$4,040,065	\$7,107,168	\$9,446,027

Campus Infrastructure Needs and Other Expenditures

- Published *Revitalize, Renew & Retool* in February 2024
- Completed ~\$1.84M in projects
 - Berrie Center Curtain Call Café
 - IGG Classroom
 - Nursing Program Expansion
 - CCTV system enhancements
 - RL Drainage and Grading
 - Electrical System repairs
 - Fire, Safety, and Regulatory Compliance Projects
- Near Term
 - \$4.3M Village Stairs replacement
 - \$31.7M Linden renovation (state grant)
 - ~\$1.8M ERP transition to Banner SaaS
 - ~\$1M NCAA Compliance, Locker Room, PC Replacements
- DM, LCR, & Capital Project needs require ~\$11.8M per year



Uncertainties

- **Enrollment, enrollment, enrollment**
- Additional unfunded mandates/changes in regulations (i.e. legislative oversight, state programs)
- Significant increases to the fringe rate
- Possible recession/soft landing
- Candidate pool challenges/salary constraints
- Geopolitical landscape
- Another pandemic/disruption
- Unknowns?

What Can We Do for Our College?

- Participate (unit effectiveness and assessment, Commencement, support student events)
- Innovate (opportunities for new revenue streams, new programs, better ways to do things)
- Manage prudently (opportunities for cost savings)
- Act with purpose towards *Boldly Ascending*
- Be Bold, Be Kind, Be a Good Teammate

“As an institution, we can position ourselves on the leading edge of change if we are brave enough to ask: What’s next? We are not to be complacent, but always stretching, being bold, prudently accepting risk, while always grounded in our values in our students’ best interest. This mindset must permeate at all levels. Ramapo College’s mission, vision and values are powerful and they give us the space to be bold.”

Cindy R. Jebb, Ph.D

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Questions?



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Thank you!

