FY24 Budget
Open Forum

May 2, 2023
Presenters

Colleen O’Keefe, Interim 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

Christopher Tredici ‘21, Financial Systems Analyst, Office of Budget and Fiscal Planning

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

• Higher Education & Today’s Environment

• State of New Jersey Budget

• Ramapo College
  • Historical Perspective
  • Budget FY24
  • Our Way Forward

• Questions?
Higher Education & Today's Environment
Standard & Poor’s Outlook for Higher Education

• Prediction of a shallow recession
• The US higher education sector faces enrollment pressure, labor challenges & inability to raise tuition enough to cover rising costs
• Operating margins will fall as costs increase, pay increases and schools offer more tuition assistance
• As pandemic federal relief comes to an end, weaker institutions will face revenue instability and operating risk

Top 3 Challenges Over the Next 5-10 Years

Ranking by financial leaders based on greatest financial impact:

1. Enrollment: 31%
2. Labor Costs: 24%
3. Inflation: 20%

Source: Syntellis' 2023 CFO Outlook for Higher Education
Increasing demands for return on investment from education

- Value and cost of education
- Student debt levels
- Graduation rates and retention challenges
  - Mental Health issues
  - Skills Gap for some students
- Increased alternative post high school graduation alternatives
  - Gap Years
  - Straight to Jobs
  - Apprenticeships
- Employment environment post graduation
- Shortages – Teachers, Nurses and Counselors (graduate programs)
Figures 1. Slowing Growth in Number of U.S. High School Graduates, then Decline (U.S. Total High School Graduates)

- Class of 1988 to 2019 (reported)
- Class of 2020 to 2025 (projected: increase)
- Class of 2026 to 2037 (projected: decrease)


State of New Jersey
NJ Operational State Appropriations

Ramapo, TCNJ, Kean, NJCU, Stockton & William Paterson
# Ramapo’s State Appropriations

<table>
<thead>
<tr>
<th></th>
<th>Expected FY23</th>
<th>Budgeted FY24</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations</strong></td>
<td>$15,574</td>
<td>$18,781</td>
</tr>
<tr>
<td><strong>Legislative Addition</strong></td>
<td>3,207</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$18,781</td>
<td>$18,781</td>
</tr>
<tr>
<td><strong>Outcome Based Allocations</strong></td>
<td>1,494</td>
<td>2,080</td>
</tr>
<tr>
<td>*** Operational Total**</td>
<td><strong>$20,275</strong></td>
<td><strong>$20,861</strong></td>
</tr>
<tr>
<td><strong>Garden State Guarantee</strong></td>
<td>$1,859</td>
<td></td>
</tr>
</tbody>
</table>

*Operational Total*

Source: March 2023 internal financial statements
## State Appropriations per Student FTE

**4-year change**

<table>
<thead>
<tr>
<th>Institution</th>
<th>FY19</th>
<th>FY23</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPU</td>
<td>$3,862</td>
<td>$7,114</td>
<td>84.2%</td>
</tr>
<tr>
<td>NJCU</td>
<td>$4,493</td>
<td>$6,742</td>
<td>50.0%</td>
</tr>
<tr>
<td>Stockton</td>
<td>$2,209</td>
<td>$4,545</td>
<td>105.7%</td>
</tr>
<tr>
<td>Kean</td>
<td>$2,901</td>
<td>$4,532</td>
<td>56.2%</td>
</tr>
<tr>
<td>Ramapo</td>
<td>$2,910</td>
<td>$4,442</td>
<td>52.7%</td>
</tr>
<tr>
<td>TCNJ</td>
<td>$3,931</td>
<td>$4,337</td>
<td>10.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,384</strong></td>
<td><strong>$5,285</strong></td>
<td><strong>56.2%</strong></td>
</tr>
</tbody>
</table>
Fall 2022 (FY23) In-State Tuition & Fees per Semester

Source: Institution websites
Net Migration of Students

<table>
<thead>
<tr>
<th>New Jersey Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out of State</td>
</tr>
<tr>
<td>30,050</td>
</tr>
</tbody>
</table>

New Jersey is 2\textsuperscript{nd} behind California (35,114) in total migration but is the national leader in the net migration.

NJ Undergraduate Enrollment: Fall FTE

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

https://nces.ed.gov/peds/datacenter/
NJ Undergraduate Enrollment: Fall FTE
Acceptance Rate among NJ 4-Year Public Colleges
Yield Among NJ 4-Year Public Colleges

2016: 25.5%
2017: 24.1%
2018: 24.6%
2019: 24.0%
2020: 20.6%
2021: 19.5%
Ramapo College
Annualized Enrollment: FTE

Undergraduate is Fall and Spring enrollment, Graduate is full year enrollment. *Includes Ramapo @ PCCC
Annualized Undergraduate FTE v. Tuition Discount Rate

Notable Trend: National Average Rising Significantly

*Includes Ramapo @ PCCC
Increasing Discount Rate (Private Institutions)
Housing
Occupancy vs Revenue

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24 (Proj)</th>
</tr>
</thead>
<tbody>
<tr>
<td>91.7%</td>
<td>90.6%</td>
<td>14.4%</td>
<td>63.4%</td>
<td>71.3%</td>
<td>72.8%</td>
</tr>
</tbody>
</table>

- Fall % Occupancy
- Fall Capacity
- Res Life Revenue (includes waivers)
FY24 Budget
Budget & Planning Cycle

Board of Trustees (BOT) approves budget, tuition, room & board rates

New Fiscal Year
Units receive new budget

President’s State of The College Address

Submit budget request to NJ OMB

Budget training for unit directors

Budget Change requests submitted in Adaptive

Mission Element Team reviews budget
Assumptions tested, pro forma drafted

Open Forum
Present budget to community

Final budget for BOT review

Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun

Units assess and adjust current budget/strategies throughout the year

Start | End

Repeat
Principles of Budget Development

- Resources focused on the Mission of the College – commitment to academic excellence

- 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
FY24 Budget Assumptions

• Expecting an increase for both tuition and housing rates, however still evaluating impact

• Tuition waivers up approximately 15% from FY23 actuals, excluding GSG

• Undergraduate enrollment for FY24 Fall & Spring is budgeted 1.3% lower than FY23 actuals

• Graduate enrollment for FY24 is budgeted 0.9% higher than FY23 actuals

• Housing for FY24 Fall and Spring is budgeted at 71.4% average occupancy as compared to FY23 which had an approximate occupancy of 69.6%
FY24 Budget Assumptions

- No COVID-19 funds in the Budget at this time (expenses or grants)
- Full-time fringe rate budgeted at 72%, currently up from 68.5%
- Deliberate position review and controls
- Union contracts ending June 2023 and future increases yet to be determined
- Anticipated union and managerial increases included
Budget Development

- Rental income
- Supply Chain
- Utility costs
- Housing projections
- Unit Plans/Needs
- Salary increases
- Economy
- Enrollment trends
- State Legislation
- State Funding

Planning

Strategic Priorities

Teamwork

Balanced Budget
Sources of Revenues
FY24 Budget Estimate

- Net Tuition and fees, 43%
- State Support - Fringe, 30%
- Auxiliary, 14%
- Other, 1%
- State Support - Operating, 12%
Expenditures by Category
FY24 Budget Estimate

- Salaries & Benefits, 74%
- Other, 11%
- Contracted & Professional, 5%
- Fuel & Utilities, 3%
- Debt Service, 7%
## Financial Summary

<table>
<thead>
<tr>
<th></th>
<th>FY22 Actual</th>
<th>FY23 Projection</th>
<th>Preliminary FY24 Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Tuition &amp; Fees</td>
<td>$76,677</td>
<td>$73,252</td>
<td>$74,098</td>
</tr>
<tr>
<td>Government Appropriations &amp; Grants</td>
<td>61,997</td>
<td>62,700</td>
<td>71,125</td>
</tr>
<tr>
<td>Auxiliary Enterprise Revenue</td>
<td>21,473</td>
<td>25,600</td>
<td>25,667</td>
</tr>
<tr>
<td>Interest &amp; Other</td>
<td>648</td>
<td>1,462</td>
<td>1,862</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>160,796</td>
<td>163,014</td>
<td>172,752</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>107,159</td>
<td>113,203</td>
<td>130,785</td>
</tr>
<tr>
<td>Non-Salary Expenditures</td>
<td>33,328</td>
<td>35,922</td>
<td>35,572</td>
</tr>
<tr>
<td>Debt Service</td>
<td>12,060</td>
<td>10,743</td>
<td>12,208</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$152,546</td>
<td>$159,867</td>
<td>$178,565</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>$8,249</td>
<td>$3,147</td>
<td>$(5,813)</td>
</tr>
<tr>
<td><strong>Change in Net Position %</strong></td>
<td>5.1%</td>
<td>1.9%</td>
<td>-3.4%</td>
</tr>
<tr>
<td><strong>Revised Net</strong> with tuition &amp; housing increase, additional interest, change requests</td>
<td></td>
<td></td>
<td>$(1,956)</td>
</tr>
<tr>
<td>COVID Relief</td>
<td>6,240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Service Savings</td>
<td>6,121</td>
<td>8,032</td>
<td>6,449</td>
</tr>
<tr>
<td><strong>Net without Debt Savings &amp; COVID Relief</strong></td>
<td>$(4,112)</td>
<td>$(4,885)</td>
<td>$(8,405)</td>
</tr>
</tbody>
</table>
Ramapo’s Debt Refinancing

window of debt relief
Our Way Forward
All Hands On Deck

- *Boldly Ascending*: 2023-29 Strategic Plan
- Campus Facilities Master Plan
- Academic Master Plan
- Enrollment Strategies
- Diversified Revenue Streams
  - PNP
  - Grants
  - Rental Income and Summer Revenue
Enrollment Strategies

LEARN IN SMALL CLASSES, SUCCEED IN BIG WAYS

Ramapo College offers you personal attention in a hands-on environment that prepares you for a career, graduate school, or whatever the next phase in your life is...all for the value of a public college.

Show me information for:
- Freshman
- International
- Transfer
- EOF
- Re-Admit
- Non-Degree / Visiting Students
- Graduate
- Adult Degree Completion

Why Ramapo

At Ramapo College, we are the smallest public college among the 19 largest in New Jersey, which allows us to commit to developing each student on a personal level, pushing students to reach their full potential. Our diverse faculty and comprehensive course offerings provide a wide range of experiences to help students succeed in a variety of fields.

Undergraduate Open House
Our Spring Open House will return on April 30. Campus Tours are available on campus or online. Learn more here. Register for a campus tour, today!

Virtual Undergraduate Appointments
Virtual College Visits are a great way to learn more about Ramapo College. We are hosting video appointments with prospective students. Register now to meet your counselor, today!

Virtual Adult Degree Completion Events
Learn more about earning your degree as an adult at Ramapo College and register for a virtual event.

Virtual Graduate Appointments
Learn more about our graduate programs and register for an upcoming virtual or in-person information session. We encourage you to connect personally with your prospective Program Director and can request an appointment via gradinfo@ramapo.edu.

Graduate Events
Learn more about our graduate programs and register for an upcoming virtual or in-person information session. We encourage you to connect personally with your prospective Program Director and can request an appointment via gradinfo@ramapo.edu.
Second Semester Retention

Fall 2022 – Spring 2023, semester to semester retention returned to pre-pandemic levels
## Priority Needs Proposals

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidential Scholarships</td>
<td>$200,000</td>
</tr>
<tr>
<td>EOF Student Scholarships</td>
<td>$30,000</td>
</tr>
<tr>
<td>Digital Humanities Projects</td>
<td>$50,000</td>
</tr>
<tr>
<td>ENHANCE Therapeutic Support Program</td>
<td>$17,000</td>
</tr>
<tr>
<td>First-Generation Student Center</td>
<td>$12,412</td>
</tr>
<tr>
<td>Gross Center for Holocaust and Genocide Studies</td>
<td>$66,391 ($50k pending)</td>
</tr>
<tr>
<td>Berrie Center for Performing and Visual Arts</td>
<td>$100,000 (pending)</td>
</tr>
<tr>
<td>Investigative Genetic Genealogy Center</td>
<td>$196,618 ($225k pledge for following 2 years)</td>
</tr>
<tr>
<td>Center for Data, Mathematical &amp; Computational Sciences</td>
<td>$7,000</td>
</tr>
</tbody>
</table>
## Select FY23 Grants

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialized Services Trio Grant</td>
<td>$315,311</td>
</tr>
<tr>
<td>Upward Bound Math and Science</td>
<td>$313,568</td>
</tr>
<tr>
<td>Vertical Farm Earmark</td>
<td>$455,000</td>
</tr>
<tr>
<td>Jane Addams NHPRC</td>
<td>$150,000</td>
</tr>
<tr>
<td>Jane Addams Papers NEH</td>
<td>$300,000</td>
</tr>
<tr>
<td>NIMH Hippocampal Signaling</td>
<td>$328,000</td>
</tr>
<tr>
<td>Hunger Free</td>
<td>$51,528</td>
</tr>
<tr>
<td>SBDC</td>
<td>$253,641</td>
</tr>
<tr>
<td>FEMA (COVID)</td>
<td>$138,206</td>
</tr>
<tr>
<td>NJ State Council on the Arts</td>
<td>$68,570</td>
</tr>
<tr>
<td>Community Provider Partnerships (Mental Health Grant)</td>
<td>$338,000</td>
</tr>
</tbody>
</table>
## FY23 Events & Conferences
### Summer Revenue

<table>
<thead>
<tr>
<th>Event</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer Events and Conferences</td>
<td>$124,000</td>
</tr>
<tr>
<td>MLA Summer Camp</td>
<td>$400,000</td>
</tr>
<tr>
<td>IGG Conference</td>
<td>$4,900</td>
</tr>
<tr>
<td>Corporate Interns</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$578,900</strong></td>
</tr>
<tr>
<td>Pending</td>
<td>$41,600</td>
</tr>
<tr>
<td>In the works</td>
<td>...</td>
</tr>
</tbody>
</table>
Uncertainties

- Additional unfunded mandates/changes in regulations (i.e. union contracts, state programs)
- Enrollment
- Significant increases to the fringe rate
- Another pandemic
- Possible recession
- Candidate pool challenges/salary constraints
- 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*
Questions?
Thank you!