

Budget Update

Finance, Administration, and Facilities Committee

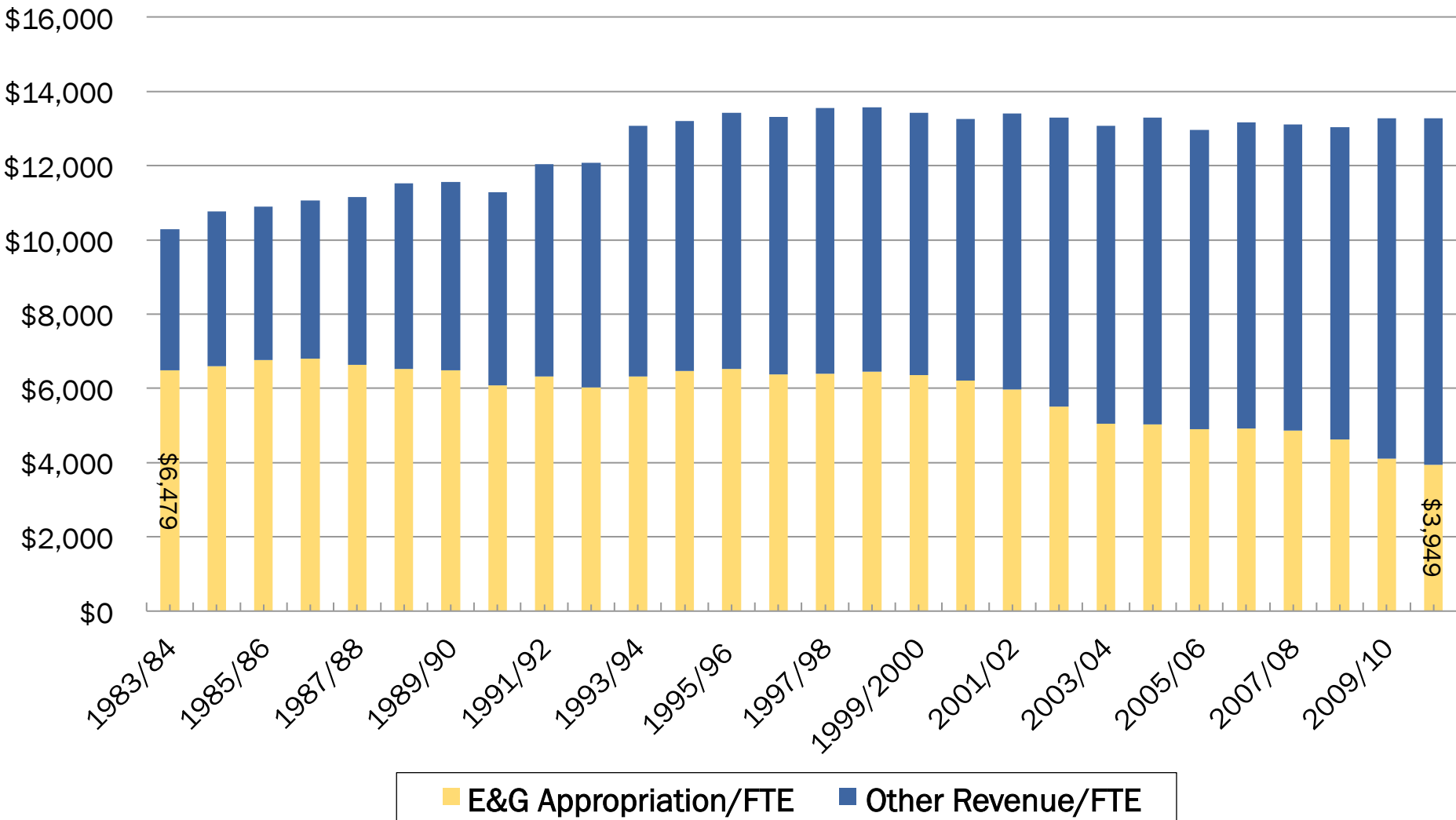
Board of Governors

June 29, 2011



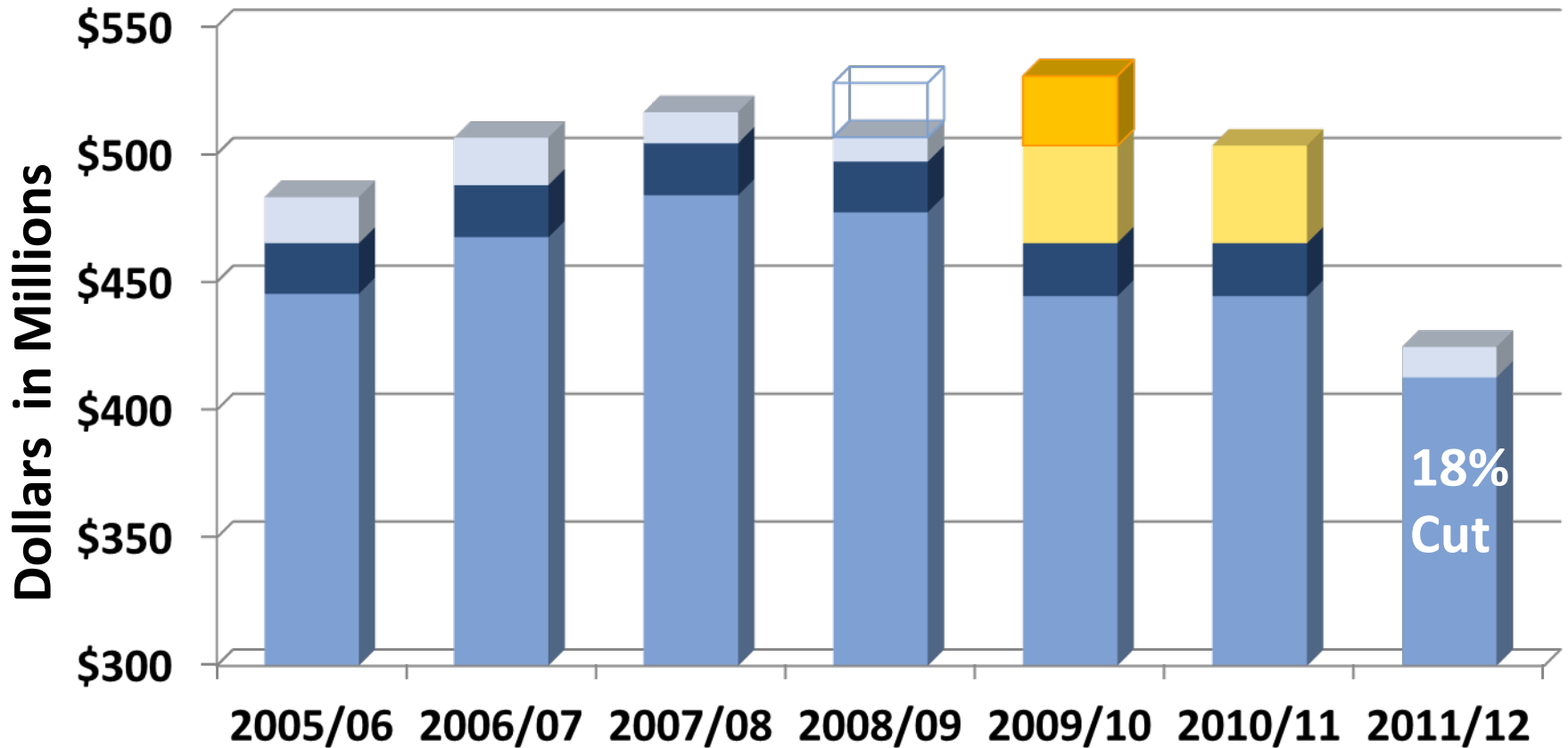
PASSHE History of Revenue/FTES

Adjusted for Inflation—In 2010/11 Dollars



Note: Other Revenue includes Federal Appropriations; Line Items are excluded from chart.

PASSHE Appropriations By Source



18%
Cut

□ Cut
□ Key '93

■ Federal for 2008/09
■ Line Items

■ Federal
■ State E&G

2011/12 Line Items Request

\$20,727,000

Appropriations Request	Amount
Program Initiatives Line Item	
Performance Funding	\$9,114,000
Information Technology	5,000,000
Transforming Learning Environment	2,934,000
Economic Development	1,000,000
Cheyney Revitalization	<u>500,000</u>
Total Program Initiatives	\$18,548,000
Diversity and Equal Opportunity	\$1,598,000
McKeever Environmental Learning Center	\$213,000
Center for Environmental Education	\$368,000

2011/12 Appropriations

(Dollars in Thousands)

Appropriations	2010/11	2011/12	Change
Educational & General	\$444,470	\$412,751	(\$31,719)
Program Initiatives	18,548	0	(18,548)
Diversity and Equal Opportunity	1,598	0	(1,598)
McKeever Environmental Learning Center	213	0	(213)
PA Center for Environmental Education	<u>368</u>	<u>0</u>	<u>(368)</u>
Subtotal, General Fund	\$465,197	\$412,751	(\$52,446)
Federal Appropriations	<u>38,158</u>	<u>0</u>	<u>(38,158)</u>
Total Appropriations	\$503,355	\$412,751	(\$90,604)
Overall Percent Change			-18.0%

2011/12 Expenditure Requirements

Expenditure Increases*	October	June
Pay Increases for Bargaining Unit Employees <i>(Partially offset by position reductions)</i>		
Salaries	\$5.9	\$5.7
Associated Benefits (SS; Retirement)	<u>1.0</u>	<u>0.8</u>
Total	\$6.9	\$6.5
Health Care and Retirement Rates	\$26.2	\$18.7
Utilities	3.3	3.3
Total Mandatory Increases	\$36.4	\$28.5
Nonmandatory Increases	<u>(2.2)</u>	<u>0.4</u>
Total Expenditure Requirement	\$34.2	\$28.9

**No assumptions for changes in 2011/12 compensation.*

Note: Numbers may not add due to rounding.

2011/12 Revenue Adjustments

Projected Available Revenue	October	June
New Revenue Generated by Universities	\$14.2	\$8.0
Loss of Federal Appropriations	(38.2)	(38.2)
Loss of State Appropriations	<u>0</u>	<u>(52.4)</u>
Change in Available Revenue	(24.0)	(82.7)
Expenditure Increase <i>(from previous slide)</i>	<u>(34.2)</u>	<u>(28.9)</u>
Total Budget Gap	(58.2)	(111.6)

Note: Numbers may not add due to rounding.

REVISED 2011/12 E&G Budget

Requirements

Dollars in Millions

Revenue/Sources	FY 2010/11	FY 2011/12	Change	%
Tuition	\$785.5	\$788.1	\$2.7	0.3%
Fees	143.7	144.8	1.2	0.8%
Appropriations				
State Appropriations	\$444.5	\$412.8	(\$31.7)	-7.1%
Line Items	20.7	0.0	(20.7)	-100.0%
Federal Appropriations	38.2	0.0	(38.2)	-100.0%
Subtotal, Appropriations	\$503.4	\$412.8	(\$90.6)	-18.0%
All Other Revenue	62.4	66.5	4.1	6.5%
Total Revenue/Sources	\$1,494.9	\$1,412.2	(\$82.7)	-5.5%
Expenditures and Transfers				
Compensation Summary				
Salaries & Wages	\$799.0	\$805.1	\$6.1	0.8%
Benefits	310.9	331.8	20.9	6.7%
Subtotal, Compensation	\$1,110.0	\$1,137.0	\$27.0	2.4%
Noncompensation	385.0	386.9	1.9	0.5%
Total Expenditures and Transfers	\$1,494.9	\$1,523.8	\$28.9	1.9%
Revenue Less Expenditures	0	\$111.6		

Note: Numbers may not add due to rounding.

–PHEAA State Grants

•\$50 million in new resources

- Funded entirely from PHEAA's business earnings
- Approximately \$9 million for PASSHE students
- Average PASSHE grant increases \$250

–Other PHEAA Grants

- Cheyney Keystone Academy (\$1.5 million)
- Bond-Hill Scholarships (\$0.5 million)

–Pell Federal Grants

- Continue at \$5,550
- No longer available year-round

