Uncertainties

FY 15 Enrollments
Retirements, Resignations
External Giving, Grant Cost Recovery
UMS Admin Reviews, Labor Negotiations
Outcomes-Based Funding
Maine Mid-Year Budget Curtailment

Therefore, find >$2.6 million
Principles for FY15 Budget Planning

- Get UMF through FY15, but...
- ...safeguard opportunities for strategic opportunities
- Minimize disruption and job loss
- Distribute rather than concentrate cuts
- Focus cuts on E&G budget (dependent on tuition/appropriation)
- Recognize "unknowns," e.g., retirements, negotiations, Admin Reviews
- Be conservative about projected new revenues
- Reach high for projected savings
- Be prudent, fair

<table>
<thead>
<tr>
<th>FY 15 Savings through Expense Reduction</th>
<th>Instructional</th>
<th>Administrative</th>
<th>Row Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce</td>
<td>$981,000</td>
<td>$674,000</td>
<td>$1,655,000</td>
</tr>
<tr>
<td>(includes 7.5 percent elimination plus 3-4 projected retirements)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>$165,000</td>
<td>$1,179,000</td>
<td>$1,344,000</td>
</tr>
<tr>
<td>Column totals</td>
<td>$1,146,000</td>
<td>$1,853,000</td>
<td>$2,999,000</td>
</tr>
</tbody>
</table>

Increased Revenues: $221,000
Commitments: $250,000
Total FY 15 Adjustments: $2,970,000
Draft UMF Strategic Directions May 2014

UMF will position itself with the University of Maine System as a small, fiercely selective public liberal arts college, featuring programs in teacher education, professional studies, and the arts and sciences, and serving primarily full-time, traditional-age undergraduates in a residential setting. UMF will continue to be recognized for its academic quality, small classes, close-knit community, and integrated curriculum, co-curricular and extra-curricular offerings.

Reinforce and Enhance our Market Position

Develop and Implement “Experience UMF”

Leverage our Western Maine Location

Align our Actions in Operations, Marketing, Facilities, and Budget

UMF FY ’15: What Keeps Us up at Night

- Bench depth: workforce down 11% (413 to 369) since 2008

- Numbers: Fall ’15 FTE enrollment & residence hall occupancy TBD

- Facilities: financing annual stewardship & needed renovations (e.g., ~ $6 million estimated cost per residence hall against $4.2 million in reserves)

- Financial Aid: increasing need and gap; competition within and beyond UMS

- Academic Review: Uncertainty about actions and budget impact