

Board of Trustees

Finance, Facilities & Technology Committee

April 12, 2023 at 9:00am

Zoom Meeting – No Physical Location Available

The public is invited to view the meeting on YouTube. The link to the Board of Trustees YouTube page can be found the Board website: <https://www.maine.edu/board-of-trustees/>

AGENDA

- | | |
|---------------------------|--|
| 9:00am – 9:05am | Call the meeting to order and Roll Call |
| 9:05am – 9:35am
TAB 1 | UMS and Shared Services Budget and Budget Changes |
| 9:35am – 9:50am
TAB 2 | Appropriation Allocation Model |
| 9:50am – 10:05am
TAB 3 | Campus Retention Rates and Enrollment by Campus |
| 10:05am – 11:00am | Committee Q & A |
| 11:00am – 12:00pm | <u>EXECUTIVE SESSION</u>
The Finance, Facilities, & Technology Committee will enter Executive Session under the provision of: 1 MRSA Section 405 6-A and 6-C |

Action items within the Committee purview are noted in green.

Items for Committee decisions and recommendations are noted in red.

Note: Times are estimated based upon the anticipated length for presentation or discussion of a particular topic.

An item may be brought up earlier or the order of items changed for effective deliberation of matters before the Committee.

University of Maine System
Board of Trustees

AGENDA ITEM SUMMARY

NAME OF ITEM: UMS and Shared Services Budget and Budget Changes

INITIATED BY: Roger J. Katz, Chair

BOARD INFORMATION: X

BOARD ACTION:

BOARD POLICY:

700

UNIFIED ACCREDITATION CONNECTION:

BACKGROUND:

Vice Chancellor Ryan Low will briefly cover 3 items:

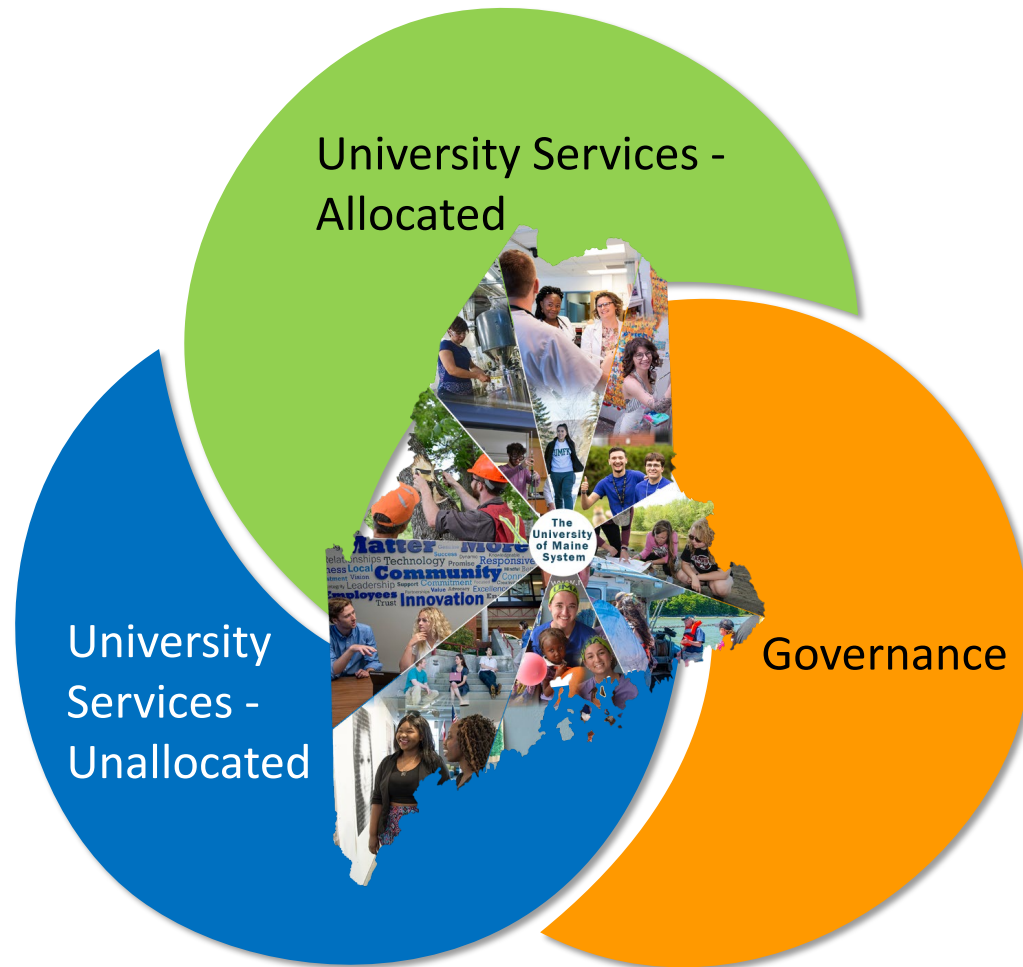
- 1) University of Maine System Budget
- 2) Shared Services Budget
- 3) Budget Changes

4/2/2023



April 12, 2023

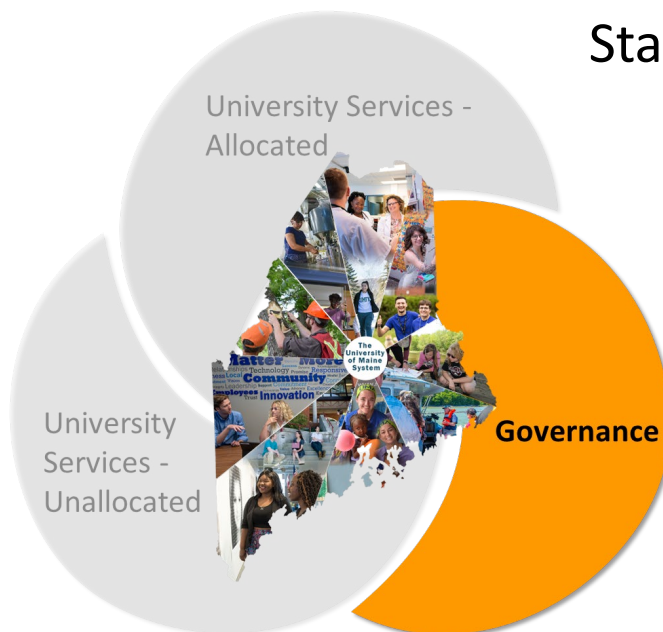
The “System Office” is Comprised of 3 Units





Governance - \$6.7M

Funded directly with
State Appropriation



25 Positions

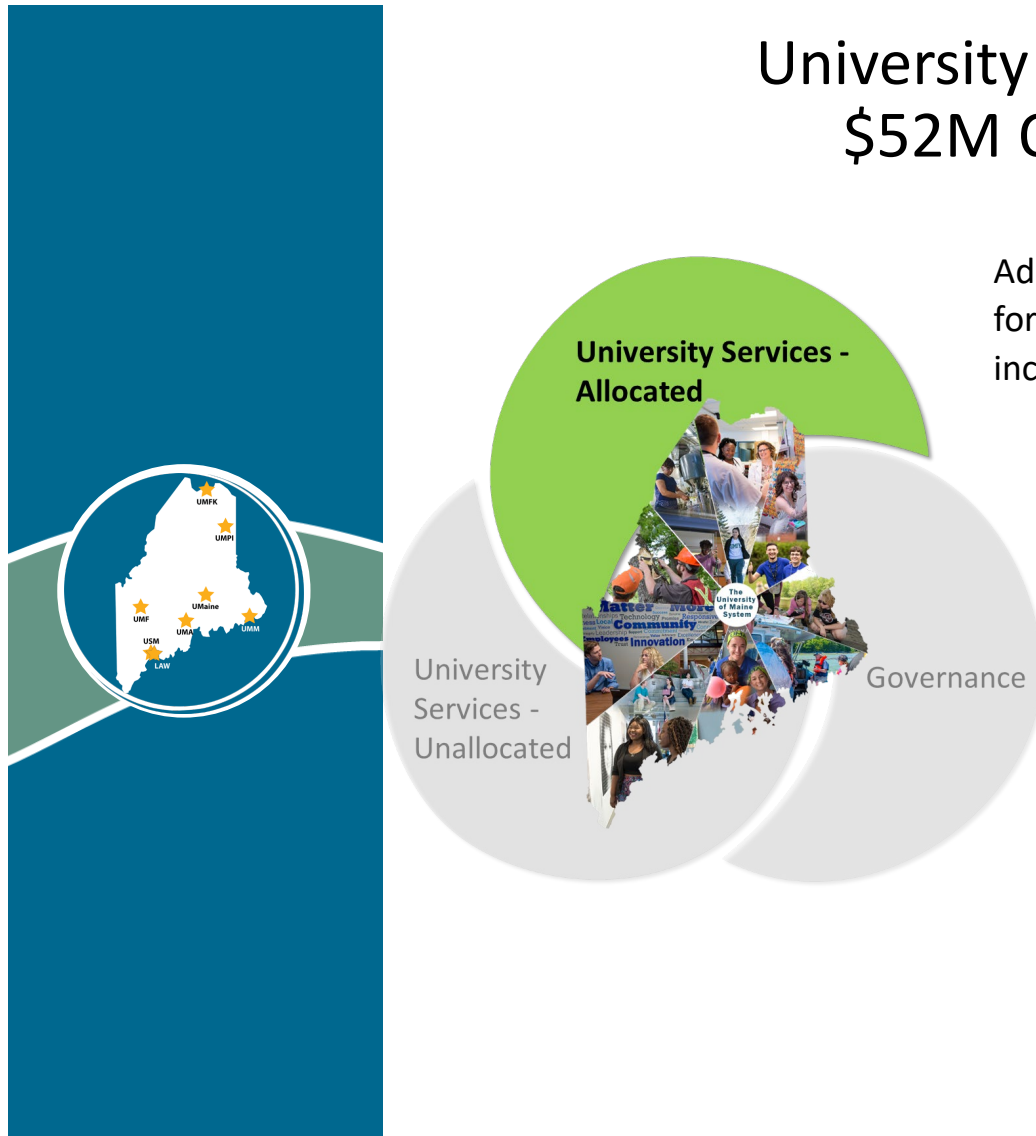
Board of Trustees	17
Chancellor	
Senior Leadership	
Supporting Staff	8

Governance

	FY23 BASE	FY24 BASE	BUDGET CHANGE	%	
Revenues					
State Appropriation	\$6,739,537	\$6,739,537	\$ -	0.0%	
Expenses					
Salaries & Wages	\$3,776,372	\$3,745,131	\$(31,241)	(0.8%)	
Employee Benefits	1,901,101	1,885,066	(16,015)	(0.8%)	
Personnel	5,677,473	5,630,217	(47,256)	(0.8%)	
Other Expenses & Transfers					
Supplies & Services	110,839	117,165	6,326	5.7%	Software
Shared Services	872,562	872,622	60	0%	
Travel	120,450	132,750	12,300	10.2%	BOT
Memberships, Contributions & Sponsors	46,800	76,300	29,500	63.0%	NECHE;AGB;MDF
Maintenance & Alterations	2,100	2,100	-	0.0%	
Other Expenses	85,372	93,183	7,811	9.1%	NECHE Visits
Net Transfers -Other	(184,800)	(184,800)	-	0.0%	
Total Other Expenses & Transfers	1,053,323	1,109,320	55,997	5.3%	
Total Expenses	6,730,796	6,739,537	8,741	0.1%	
Operating Increase (Decrease)	\$8,741	\$ -	\$(8,741)	-100.0%	
Other Net Transfers from/(to)	2,976	-	(2,976)		
Reserves					
Net Change in Cash & Reserve Transfers	\$11,717	\$ -	\$(11,717)		

University Services – Allocated \$52M Operating Budget

Administrative oversight and direct support
for System and Campus operations
including:



386 Budgeted Positions

• Informational Technology (\$31M)	204
• Human Resources (\$8M)	64
• Finance & Budgeting (\$5M)	33
• Facilities	11
• Risk Management & Safety	19
• Procurement	27
• General Counsel/Org. (\$1M)	8
• Shared Processing Center (\$1M)	20

\$6M

Unified Services vs Campus Services

Allocated University Services are further designated as Unified Services or Campus Services

\$38M

Unified Services include individuals that are responsible for oversight and support for all campuses; costs are allocated to campuses based on appropriate metrics (# of employees, square footage, etc.)

Examples

Controller's Office – central financial activities including audited financial statements, cash management, investments, System policies, etc. The expense budget for this department is allocated across all campuses.

\$14M

Campus Services include individuals that are part of University Services yet their primary responsibility is to the specific campus where they are located. Segments of IT, HR, Facilities, and Finance are classified as Campus Services.

UMA Campus CBO & staff - these individuals are part of the University Services overall budget, but they are classified as Campus Services as their primary responsibility is the financial oversight of UMA. The UMA Finance Office expense budget is allocated directly to UMA.

University Services - Allocated

	23 BASE	24 BASE	BUDGET CHANGE	
Revenues				
Indirect Cost Recovery	\$190,158	\$1,000	\$(189,158)	99.5% Network Maine contract
Investment Income/Gifts	264,155	264,155	-	0.0%
Sales/Services/Auxiliary	643,284	657,382	14,098	2.2% Procurement Rebate & EBS Revenue offset by loss of MMA investment mgmt fee
Total Revenues	1,097,597	922,537	(175,060)	-15.9%
Expenses				
Salaries & Wages	26,520,137	27,567,268	1,047,131	3.9% ATB; new USM HR & Law IT positions
Attrition (Salary Only)	(598,493)	(598,493)	-	0.0%
Employee Benefits	13,192,507	13,726,441	533,934	4.0%
Personnel	39,114,151	40,695,216	1,581,065	4.0%
Other Expenses & Transfers				
Fuel & Electricity	9,530	11,530	2,000	21.0% Gasoline
Supplies & Services	6,942,670	6,429,270	(513,400)	-7.4% Advancement Software costs (FY23 high est.)
Shared Services	(50,898,043)	(52,414,065)	(1,516,022)	3.0%
Travel	160,105	178,030	17,925	11.2% Labor Relations; General Services Admin EAB
Memberships, Contributions & Spon	153,621	105,096	(48,525)	-31.6% EAB
Maintenance & Alterations	2,829,993	2,674,346	(155,647)	-5.5% See offset in ICR
Interest Expense	26,588	7,026	(19,562)	-73.6%
Other Expenses	1,684,869	1,834,199	149,330	8.9% Wireless Network Investments
Net Transfers -Other	233,053	370,352	137,300	58.9% Advancement software costs (FY23 high estimate)
Total Other Expenses & Transfers	(38,857,614)	(40,804,216)	(1,826,601)	5.0%
Total Operating Expenses	256,537	(109,000)	(365,536)	-142.5%
Operating Increase (Decrease)	\$ 841,060	\$ 1,031,537	\$ 190,476	22.6%
Modified Cash Flow				
Less Capital Expenditures	(634,875)	(836,875)	(202,000)	31.8% Wireless Network Investments
Less Debt Service Principal	(175,100)	(194,662)	(19,562)	11.2%
Net Change Before Reserve Trans.	\$31,085	\$ -	\$(31,085)	

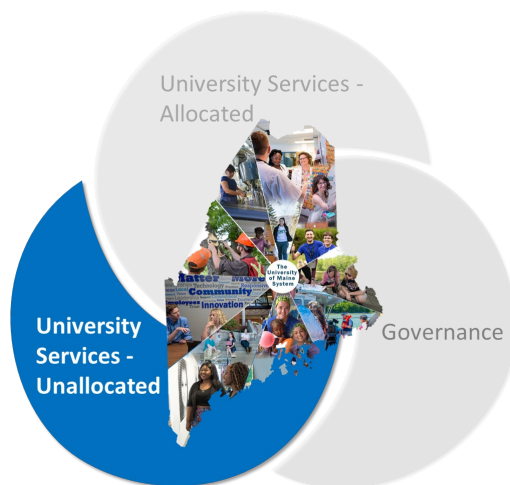
FY24 Budget



UNIVERSITY OF MAINE SYSTEM

Strategic Plan 2023-2028

*Building a Foundation
for Our Future*



University Services – Unallocated *In Support of UMS Strategic Plan*

Appropriation \$10.9M - \$3.5M ADG,EC,IVP; \$7.4M Strategic
Investment Income \$2.0M

UMS-Adult Degree Completion	\$1.5M
UMS-Early College	\$1.65M
Interpersonal Violence Prevention	\$394K
UMS-Systemwide Marketing	\$750K
UMS-Institutional Research	\$450K
UMS-Research Reinvestment Funds	\$2.1M
Capital Planning	\$1.3M
Demolition	\$850K
Other Strategic Investments: Diversity, Library, Financial Literacy, Distance Ed, Bonding	\$913K
Maine Center Ventures	\$400K
Systemwide Research Support	\$875K
Capital Investment	\$2.0M

Campus Reserves

Campus Reserves (\$000's)

Campus	E&G/Auxiliary Reserves 6/30/2022		Forecast FY23	Budget Stabilization FY23		Budget FY24	Budget Stabilization FY24		E&G/Auxiliary Reserves 6/30/2024
UM/UMM	\$	64,106	* \$ (17,702)	\$	-	\$ (7,433)	\$	-	\$ 38,971
UMA		9,578	(411)		-	-		-	9,167
UMF		(6,509)	(3,135)		1,862	-		-	(9,644)
UMFK		1,411	(127)		127	(1,757)		500	154
UMPI		40	(2,238)		2,198	(260)		260	-
USM		3,605	(5,452)		-	-		-	(1,847)
TOTAL	\$	72,231	\$ (29,065)	\$	4,187	\$ (9,450)	\$	760	\$ 36,801

*Includes Internally Designated Funds

UMF – FY15 1st year of unbalanced budgets & loss. Reserve balance 6/30/15 = \$3,081; Reserve balance 6/30/17 = negative

Campus Efficiencies

2 Preliminary Budget Review for FY24

We will achieve a balanced budget by prioritizing both operating efficiencies and growth opportunities over 3 years.

 FY24 Preliminary Budget Review

Efficiencies

- Financial aid management and optimization
- Administrative efficiencies
- Policy enforcement
- Physical plant (energy & maintenance costs)
- Instructional efficiencies
- Research efficiencies
- Gifts and external funding

Growth

- First-year enrollment
- Retention
- Graduate enrollment
- Online education
- Community serving programs
- Academic program evaluation
- Indirect returns
- Corporate partnerships

Annual Opportunity

FY24: \$15.3M in efficiencies
 FY25: \$4.8M
 FY26: \$3.5M

FY24: \$6.7M in growth
 FY25: \$7.2M
 FY26: \$3.9M

Strategically leverage reserves up to \$13.2M over 3 years.

2

Preliminary Budget Review for FY24

We are focused on internal efficiencies.



FY24 Preliminary Budget Review

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E&G 3-Year Solution

Efficiencies (\$M)	FY24	FY25	FY26
Financial aid management and optimization	\$7.5	\$1.3	--
Instructional efficiencies	\$1.0	--	--
Academic program review	--	\$1.0	\$2.0
Administrative efficiencies	\$1.5	\$1.0	\$0.5
Policy improvements	\$1.0	--	--
External funding	\$2.5	\$0.5	--
Research efficiencies	\$1.5	--	--
Physical plant (energy & maintenance)	\$0.3	\$1.0	\$1.0
Total	\$15.3M	\$4.8M	\$3.5M

2

Preliminary Budget Review for FY24

We are investing significant time and energy in developing growth solutions.



FY24 Preliminary Budget Review

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E&G 3-Year Solution

Growth (\$M)	FY24	FY25	FY26
State appropriations	\$4.5	\$3.9	--
Retention	\$0.3	\$0.5	\$0.8
Fee optimization	\$0.2	\$1.5	--
Academic program review	\$0.3	\$0.3	\$0.5
Indirect cost returns	\$1.0	\$0.4	\$0.4
Non-traditional revenues	\$0.6	\$0.6	\$0.7
New ideas	--	--	\$1.5
Total	\$6.7M	\$7.2M	\$3.9M
Strategic use of reserves	\$6.6M	\$4.7M	\$1.8M

2

Preliminary Budget Review for FY24

We are also working to implement strategic solutions for our auxiliary enterprise.



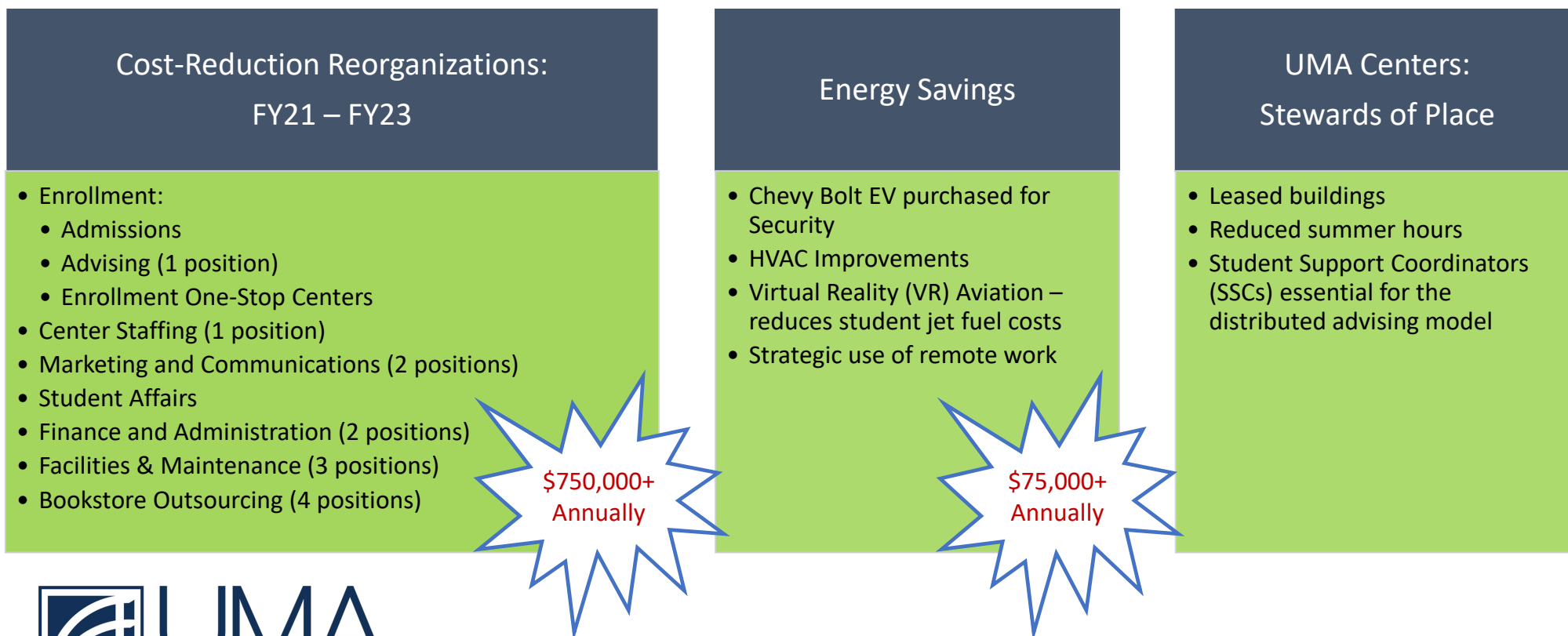
FY24 Preliminary Budget Review

Auxiliary 2-Year Solution

Opportunity (\$M)	FY24	FY25
Administrative efficiencies (Sodexo)	\$0.5	--
Housing	\$0.3	\$1.0
Bookstore	\$0.3	--
Conference services	\$0.2	\$0.25
Machias housing	--	\$0.5
Total	\$1.3	\$1.75
Strategic use of aux. reserves	\$0.5M	--

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Restructuring + Agility = Efficiency & Savings



Structural reorganization: Enhanced student support, improved student experience & staff efficiency

Student Retention Reorganization: Student Affairs, Enrollment Management and Academic Advising departments, in addition to academic intervention work across the institution, have been reorganized to support a new **UMF Student Success Model** with four pillars:

- Advising and Purpose
- Safety and Wellbeing
- Financial Wellness
- Engagement and Belonging

Academic Reorganization and Efficiencies:

- Moved from 9 divisions / chairs to 4 divisions / chairs. This means:
 - More faculty in the classroom
 - Increase interdisciplinary collaboration
- Reduction in the number of faculty reassignments outside of classroom
- Adjunct faculty: reduction starting in Fall 23 based on 4 to 3 credit change
- Increase in average class size from a low of 13:1 to 20:1 planned for Fall 2023
- Dual listing of UG/GR courses
- New undergraduate and graduate certificate programs that will be offered in FY 24 and beyond will be offered in-load.
 - **Anticipated annual savings: ~1M**

Reduction in staff over the past 10 years while expanding services to meet increased demand and compliance obligations, almost exclusively through attrition. Overall: 39 employees or 12.62%.

- Administrators: reduction of 8, or (57.14%)
- Faculty: reduction of 22, or (18.49%)
- Salaried: increase of 4, or 5.06%
- Hourly: reduction of 13, or (13.40%)
- Graduate Assistants: elimination of 5 GA's Student Affairs or 100% of GAs
 - **Cumulative staff savings (FY23 numbers) ~\$5.2M**

Facilities improvements: Efficiency & reduced energy consumption

2016 Installation of Biomass Boiler

- Removed 27 independent boilers and associated oil off the campus and went from 400,000 gallons down to 41,000 gallons
- Provides heating & domestic hot water for 29 buildings
 - **Approximate savings of \$1.4M in 2023 dollars**

2023 ESCO work beginning for energy savings project:

- Adding 2nd biomass boiler; will remove 95% of remaining oil from campus
- LED upgrades
- Heating controls
- Water conservation
- Window replacements
- Insulation / duct sealing / vapor barriers
- Envelope improvements
- HVAC upgrades
 - **Savings: TBD**

Geothermal installed for heating/cooling in:

- Education Center
- Preble/Ricker
- Emery Community Arts Center

Reduction in overall square footage: approximately 20,000 sq'





Efficiencies

Restructured Financial Aid Office	\$ 26,868	
Streamlined credit card machines & payment options	\$ 63,820	
Restructured Business Office	\$ 30,780	
Vacancies Held	\$ 280,432	
Academic-programs/minors/rotation/capacity	\$ 378,733	
Academic-streamline/reduce support staff	\$ 57,021	
Multi-Year Space Reduction initiative	\$ 250,000	★
Estimated annual total	<u>\$ 1,087,654</u>	7.3% of FY23 Total Expense

★ Elimination of \$2,500,000 10-year Asset Reinvestment Need per Gordian

How Did We Lessen the Deficit in Preparation for the FY 24 Budget

Operational Savings: \$ 1,100,000

FY 22-23 Organizational Changes

- 8 Faculty Members Retired by 8/31/23
- 5 UMPSA Employees were Released 6/22
- MOU with UM Orono for both Financial Aid and Student Debt Collections 6/22-6/23
- Hired Lead Skilled Trades Technician from Honeywell
- Job Position changes in Multiple Jobs to make up for the change in funded positions
- Removed 24 Course Releases
- Redesigned Organizational Structure
- Identified Change in Athletic and Recreational Oversight
- Began design for International Student Academy
- Negotiating a Split with AP (from 50:50 to 25:75)

Operational Savings: \$550,000

Current Energy Savings and Planned Energy Savings

- Locked in #2 Fuel Oil at 2.99/gallon
- Solar field is producing better than predicted
- Renovation planned for Campus Center which will move us away from #2 Fuel Oil (Summer of FY23 and FY24)

Operational Savings: \$300,000

Changes in our Footprint

Began the process of having non essential properties appraised for sale or handover by June 30, 2024

- Houlton Higher Education Center
- #9 Mountain Top
- Property on Easton Rd
- Property next to West Gate of Loring AFB
- Skyway Hall (STR)

EXPECT the **UNEXPECTED**

UNIVERSITY of MAINE at PRESQUE ISLE

Increased Efficiencies

- Continued leveraging of donor scholarships to offset merit aid
 - Merit-Aid Task Force charged with ensuring priority use of philanthropic funds
 - \$1.6 million reduction from E&G
- Departmental review of individual budgets and made cuts
 - 3% non-compensation cuts resulting in \$871,000 from E&G
- Delayed previously planned position investments and efficient utilization of Part-Time faculty reducing E&G by \$500,000
- Position Review Committee evaluation of all compensation expenditures
 - Forwards recommendations to President for approval
 - Expect an additional \$750,000 in E&G savings
- Increased collaboration among revenue-driving operations resulting in an expected \$1.16 million in additional revenue
- Energy Conservation Measures in HVAC, lighting, and water conservation in Anderson & Bailey Hall resulting in about \$25,000 in savings.



Efficiencies



Admissions

- Contract with Yellow Arrows Enrollment Management at \$40K annual cost; thus, eliminating the need for an assistant director and data/enrollment manager estimated at \$80K salary plus fringe: \$120K.
Estimated Savings \$80K
- Admissions Fellows to assist with recruitment, tours and student panel discussions.

Est Savings is \$10k

Ongoing est.Savings
\$90,000 / annually



Academics

- Created a VAP position (Visiting Associate Faculty) who teaches core writing course
- Recruit entry level faculty less expensive.
- New 2L Required course will streamline elective curriculum offerings and reduce adjunct faculty lines

Ongoing est. Savings
\$60,000 annually



Facilities

- HVAC Improvements.
Est Contractor Savings \$150K year 1
Ongoing electricity savings \$25K
- Rent event space and conference rooms to the public, and host Maine Law signature events onsite with decrease need for rental space.

Est Revenue: \$5K+

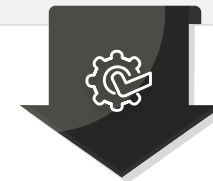
Est. new one-time savings: \$150K
Ongoing savings: \$25K savings and Revenue \$30,000 in FY24



Library

- Thorough review of all annual online subscriptions and books acquisitions. Converted several book collections into digital collections.
- Reduced total acquisition budget by 33%:
- \$200,000 between 2020 and 2022. (&600K reduced to \$400K annually.)

Ongoing savings of
\$200,000 annually



Operations

- Combined Communications & Website position
- Facilities maintenance service agreements
- Security Contract with Securitas
- Continue to outsource Fin Aid packaging and health services/ counseling to USM or UM

Est. Savings \$450,000
annually

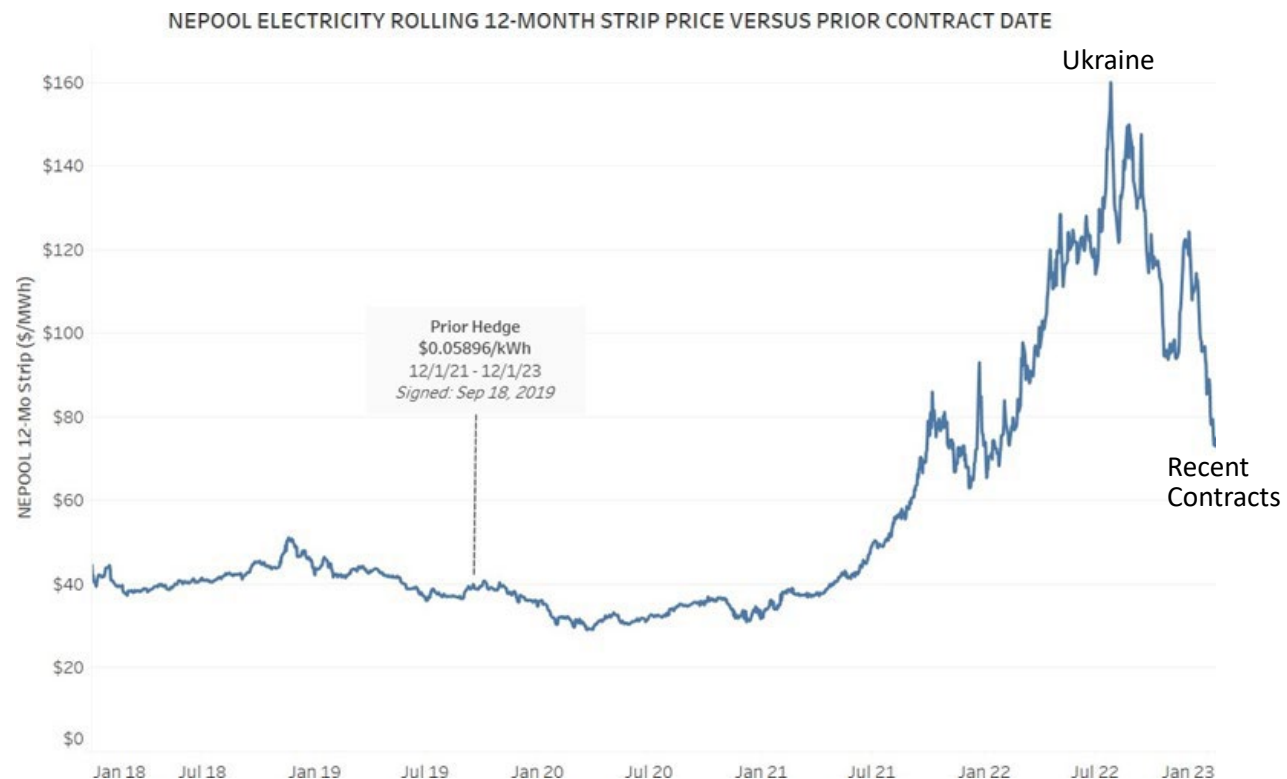
Electricity and Natural Gas Pricing Update

Electricity and Natural Gas Pricing Update

Summary

The System's contracts for natural gas and electricity for all campuses other than Fort Kent and Presque Isle expire in mid to late 2023. Competitive Energy Solutions (CES) has been working with UMS to prepare for substantial increases in natural gas and electricity supply rates in FY24 and beyond since the fall of 2022 via RFPs and has been monitoring the markets daily. This work was necessary due to a shift in commodity markets from near decade lows to decade highs throughout 2022. This market volatility has been driven by several factors, but most significant has been of the war in Ukraine which disrupted and realigned global energy flows.¹ A very warm winter has calmed commodity markets and prices have declined substantially from the highs witnessed this past summer and fall, when most campuses were establishing FY24 budgets. By hedging contracts now, the system was able to lock in savings against these budget rates and eliminate the risk of further price volatility.

Electricity and Natural Gas Pricing Update



The graph shows the rolling 12-month average price trend since UMS last executed an electricity hedge to current. While there is room for prices to continue to trend lower, there are also concerns for the upcoming 23-24 winter, possible escalation of the war in Ukraine, and the impacts of more US liquified natural gas export capacity (potentially leaving less natural gas available in our domestic markets). This presents upside price risk that UMS has hedged against with its new contracts.

Electricity and Natural Gas Pricing Update

Recently Hedged Prices and Financial Impact

ELECTRICITY (Expiring Dec 2023)

CAMPUS	ANNUAL VOLUME	CURRENT CONTRACT	ANNUAL COST	NEW CONTRACT	NEW ANNUAL COST	COST IMPACT	% INCREASE
Augusta	2,996,000	\$0.0631	\$189,000	\$0.1034	\$310,000	\$121,000	64%
Farmington	5,179,000	\$0.0631	\$327,000	\$0.1035	\$536,000	\$209,000	64%
Machias	1,143,000	\$0.0631	\$72,000	\$0.1068	\$122,000	\$50,000	69%
Orono	44,874,000	\$0.0590	\$2,646,000	\$0.1004	\$4,505,000	\$1,859,000	70%
USM	15,367,000	\$0.0631	\$970,000	\$0.0990	\$1,521,000	\$551,000	57%
TOTAL	69,559,000	\$0.0604	\$4,204,000	\$0.1006	\$6,994,000	\$2,790,000	66%

NATURAL GAS (Expiring Nov/Dec 2023)

CAMPUS	ANNUAL VOLUME	CURRENT CONTRACT/ MARKET EST	ANNUAL COST	NEW CONTRACT	NEW ANNUAL COST	COST IMPACT	% INCREASE
Orono	454,000	\$12.94	\$5,873,000	\$12.25	\$5,562,000	-\$311,000	-5%
USM (Gorham)	63,000	\$6.51	\$410,000	\$13.27	\$836,000	\$426,000	104%
USM (Portland)	33,000	\$6.12	\$202,000	\$13.62	\$449,000	\$247,000	123%
TOTAL	550,000	\$11.79	\$6,485,000	\$12.45	\$6,847,000	\$362,000	6%

Total Impact

\$3,152,000

Note that Fort Kent and Presque Isle electricity contracts expire in December 2024, so CES will continue to monitor the market for opportunities to hedge these two campuses over the upcoming ~18 months.

1 For more on the current trends impacting markets, see our consultant, CES' latest blog posts: <https://www.competitive-energy.com/blog/new-england-energy-trends-in-2023-what-s-on-keith-sampson-s-mind>

University of Maine System
Board of Trustees

AGENDA ITEM SUMMARY

NAME OF ITEM: Appropriation Allocation Model

INITIATED BY: Roger J. Katz, Chair

BOARD INFORMATION: X

BOARD ACTION:

BOARD POLICY:

UNIFIED ACCREDITATION CONNECTION:

BACKGROUND:

Vice Chancellor Low will provide a summary review of the Appropriation Allocation Model, four years into its implementation. He will discuss the intent of the model, which is to establish parity in funding across the UMS, its functionality and the success/results thus far.

04/04/2023



Appropriation Allocation Model

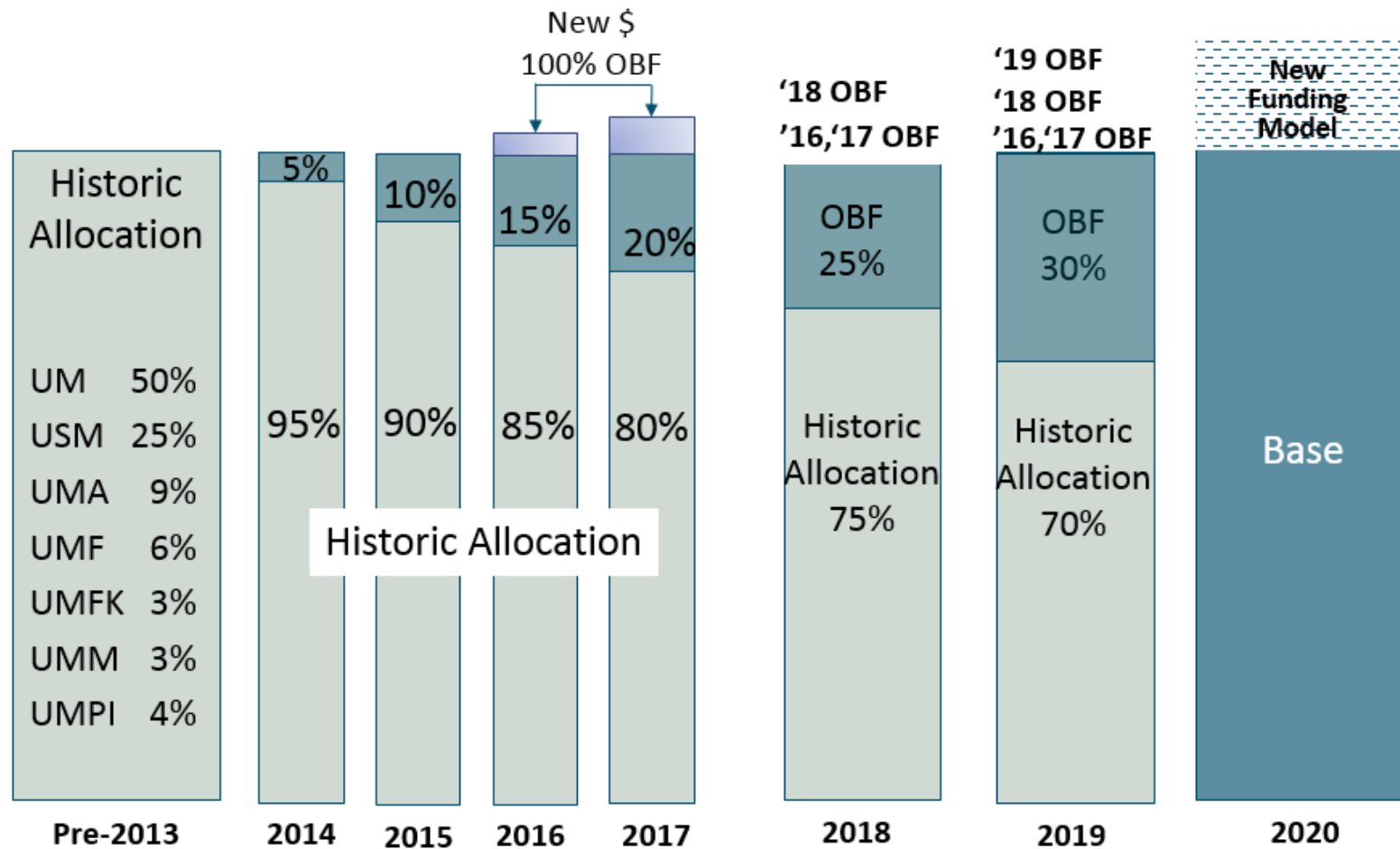
RYAN LOW
VICE CHANCELLOR FOR FINANCE
AND ADMINISTRATION




April 12, 2023

Background

University of Maine System Allocation Models



Background



Maine's
Public
Universities
UNIVERSITY OF MAINE SYSTEM

Peer Identification


HR DIGITAL

MY PROJECTS RESEARCH LIBRARY REQUEST PROJECTS

CLIENT

Hanover's Annual Higher Education Market Leadership Report

HIGHER EDUCATION FEATURED CASE STUDIES



Maine's
Public
Universities
UNIVERSITY OF MAINE SYSTEM

Peer Identification Draft Peers: Similarity Scores

A peer list is generated by computing a singular measure of “similarity” between the UMS Institution and each prospective peer institution, which then creates a “Similarity Score”

Institution	Similarity Score
The University of Virginia's College at Wise (ID 233897)	0.0659
Missouri Western State University (ID 187)	0.1083
Lewis-Clark State College (ID 1423)	0.1109
Oklahoma Panhandle State University (ID 1031)	0.1142

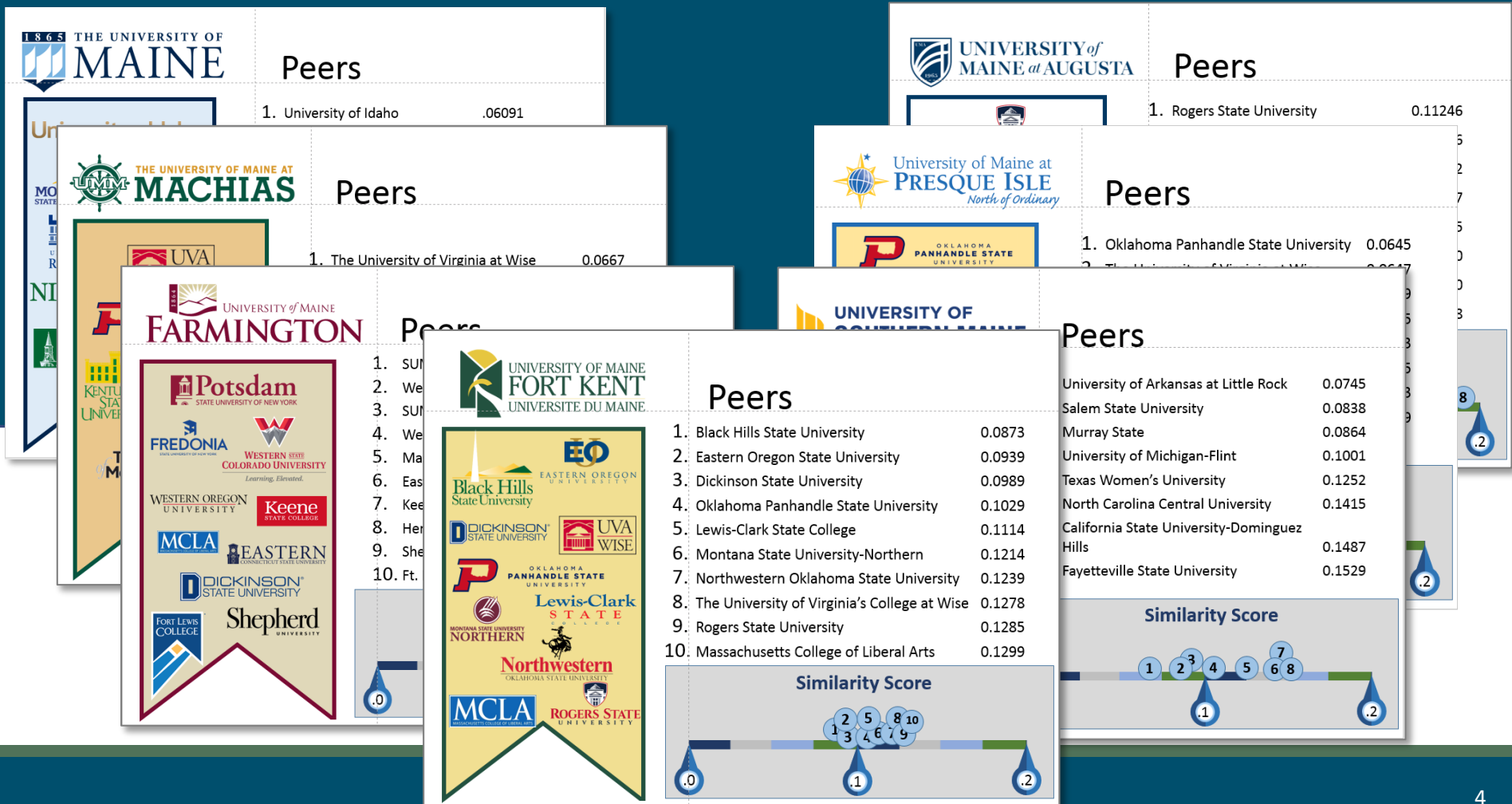
Similarity Score

The Similarity Score is based on the “distance” between the UMS institution and each peer institution along each of the input variables.

Institution	Similarity Score
Rogers State University (ID 207661)	0.1532
Montana Tech of the University of Montana (ID 180416)	0.1560
New College of Florida (ID 262129)	0.1638
University of North Carolina at Asheville (ID 199111)	0.1721
Morrisville State College (ID 196051)	0.1781

Peers

IPEDS



Peer Cost Centers & Examples of Expenses

A. Instruction – Nursing, English, Humanities

B. Research

C. Public Service – Center on Aging, Legal Aid Clinic, Conferencing Services

D. Academic Support – Library, Deans, International Program

E. Student Services – Recruitment/Admissions, Financial Aid Office

F. Institutional & Administrative Support – Business Office, Human Resources, Development

G. Student Financial Aid – Institutional Aid only

Model

3 most recent years of IPEDs spending data, adjusted for inflation, from campus peers across 7 cost centers, to create a peer average

Peer Cost Centers & Examples of Expenses

- A. Instruction** – Nursing, English, Humanities
- B. Research**
- C. Public Service** – Center on Aging, Legal Aid Clinic, Conferencing Services
- D. Academic Support** – Library, Deans, International Program
- E. Student Services** – Recruitment/Admissions, Financial Aid Office
- F. Institutional & Administrative Support** – Business Office, Human Resources, Development
- G. Student Financial Aid** – Institutional Aid only

Model

Adjust peer averages by identifying Education & General (E&G) spending as % of all IPED's spending in that cost center

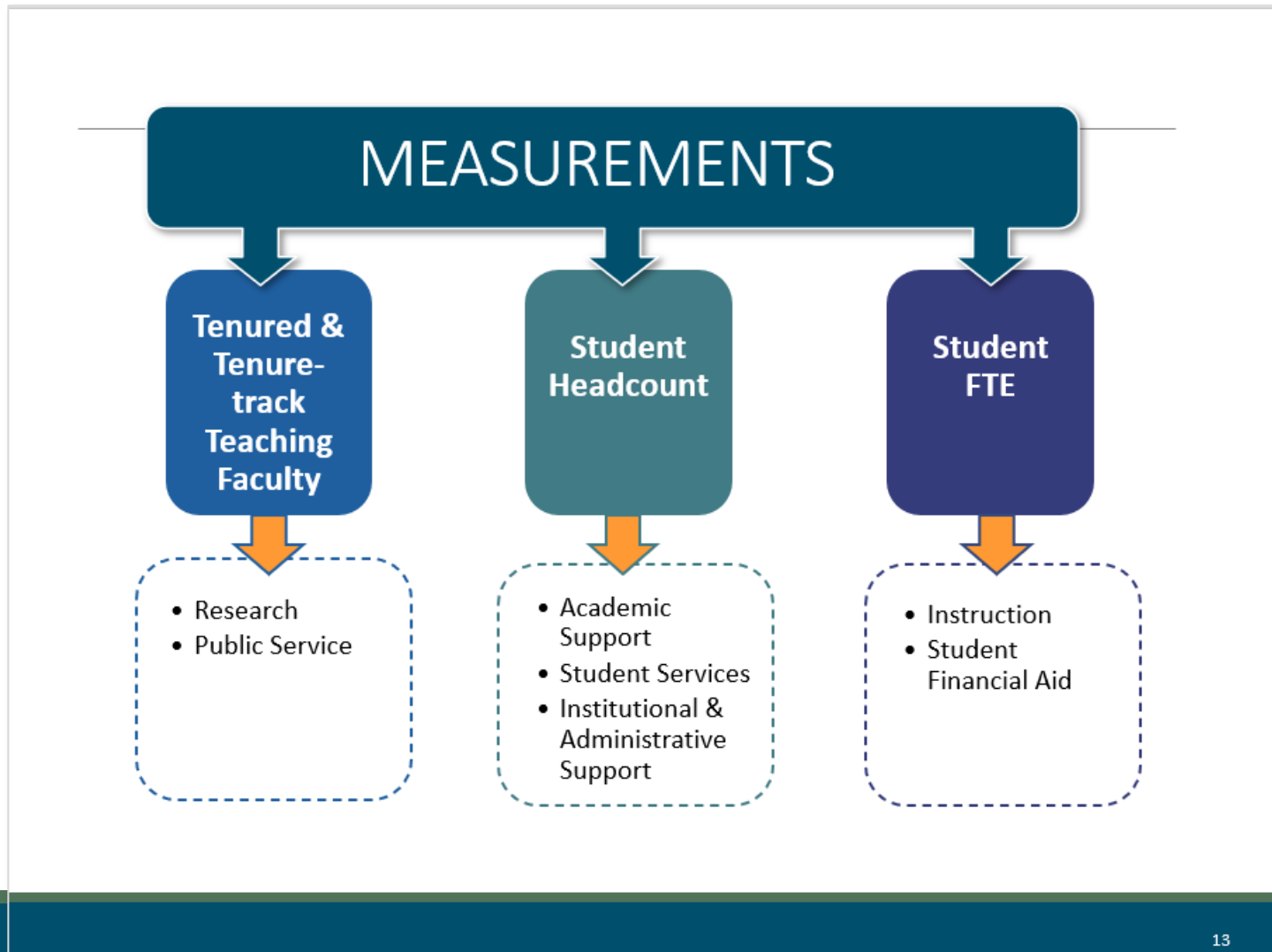
E&G Spending as a % of Total Spending

	3-Yr Average						
	<u>UM</u>	<u>UMA</u>	<u>UMF</u>	<u>UMFK</u>	<u>UMM</u>	<u>UMPI</u>	<u>USM</u>
Instruction	96.36%	99.78%	91.84%	98.81%	98.54%	99.21%	95.39%
Research	19.16%	92.65%	0.02%	18.86%	2.59%	7.85%	18.93%
Public Service	52.97%	7.81%	1.80%	47.06%	62.36%	18.67%	16.79%
Academic Support	90.12%	98.03%	90.26%	95.74%	93.11%	89.01%	90.98%
Student Services	89.86%	97.62%	93.91%	94.06%	96.48%	92.08%	90.69%
Institutional Support	94.99%	96.57%	92.01%	96.27%	95.66%	92.82%	95.36%

Note: Beginning in FY20, UM and UMM have been combined in the model.
IPEDS costs used are from unrestricted sources only.

Model

Multiply adjusted average of peers by campus specific metric



3-Year Peer Data – Instructional Cost

Peer Data for USM		Instructional Costs for USM Peers (per Student FTE rate)			
		FY15	FY14	FY13	Average
IPEDS Data CV	California State University-Dominguez Hills	65,420,782	60,889,216	59,096,681	
	Fayetteville State University	39,750,929	40,429,047	40,179,332	
	Murray State University	69,111,002	65,282,360	63,878,961	
	North Carolina Central University	73,830,129	74,219,441	77,418,854	
	Salem State University	60,687,239	59,953,564	57,719,279	
	Texas Woman's University	78,792,480	70,608,452	68,039,459	
	University of Arkansas at Little Rock	58,886,942	60,052,204	63,800,697	
	University of Michigan-Flint	55,414,520	51,983,329	49,948,455	
Standard Deviation		11,344,983	9,932,647	10,591,567	
Upper Bound		91,099,211	85,258,820	86,489,132	
Lower Bound		34,374,295	35,595,583	33,531,298	
IPEDS Data CV, normalized	California State University-Dominguez Hills	65,420,782	60,889,216	59,096,681	
	Fayetteville State University	39,750,929	40,429,047	40,179,332	
	Murray State University	69,111,002	65,282,360	63,878,961	
	North Carolina Central University	73,830,129	74,219,441	77,418,854	
	Salem State University	60,687,239	59,953,564	57,719,279	
	Texas Woman's University	78,792,480	70,608,452	68,039,459	
	University of Arkansas at Little Rock	58,886,942	60,052,204	63,800,697	
	University of Michigan-Flint	55,414,520	51,983,329	49,948,455	
Per FTE/HC Rate	California State University-Dominguez Hills	\$ 6,243	\$ 5,869	\$ 5,992	\$ 6,035
	Fayetteville State University	\$ 7,527	\$ 7,527	\$ 7,585	\$ 7,547
	Murray State University	\$ 7,580	\$ 7,308	\$ 7,153	\$ 7,347
	North Carolina Central University	\$ 11,005	\$ 10,687	\$ 10,633	\$ 10,775
	Salem State University	\$ 7,690	\$ 7,655	\$ 7,191	\$ 7,512
	Texas Woman's University	\$ 6,745	\$ 5,975	\$ 5,748	\$ 6,156
	University of Arkansas at Little Rock	\$ 7,042	\$ 6,855	\$ 6,915	\$ 6,937
	University of Michigan-Flint	\$ 8,883	\$ 8,271	\$ 7,949	\$ 8,368
Per Student FTE rate		USM			\$ 7,585

Calculate Peer Instructional Cost

Applied to USM Student FTE

Calculate Instructional Costs	
Peer 3-Year Average Rate: Instructional Costs per Peer FTE (All Funds)	\$ 7,585
USM's Unrestricted to All Funds Ratio for Instructional Costs	95.39%
Peer 3-Year Average Rate adjusted to reflect Unrestricted Portion	\$ 7,235
USM's 3-Year Average Student FTE	6,493
Peer Instructional Costs Adjusted for USM FTE and Unrestricted Ratio	\$ 46,980,344

3-Year Peer Data – Academic Support

Peer Data for UMPI		Academic Support Costs for UMPI Peers (per Student Headcount rate)			
		FY15	FY14	FY13	Average
IPEDS Data CV	Dickinson State University	2,577,171	2,642,066	2,400,417	
	Glenville State College	1,242,108	1,076,477	1,110,141	
	Massachusetts College of Liberal Arts	4,756,664	4,734,675	4,616,785	
	Montana State University-Northern	1,949,035	1,761,961	1,766,518	
	Oklahoma Panhandle State University	1,029,654	1,205,263	1,309,802	
	Rogers State University	2,569,572	2,817,080	2,564,556	
	The University of Virginia's College at Wise	4,372,540	3,381,372	3,275,043	
	West Liberty University	1,651,546	1,907,578	1,872,919	
Standard Deviation		1,292,992	1,143,553	1,074,024	
Upper Bound		5,751,017	5,299,692	5,049,584	
Lower Bound		(713,945)	(418,074)	(320,539)	
IPEDS Data CV, normalized	Dickinson State University	2,577,171	2,642,066	2,400,417	
	Glenville State College	1,242,108	1,076,477	1,110,141	
	Massachusetts College of Liberal Arts	4,756,664	4,734,675	4,616,785	
	Montana State University-Northern	1,949,035	1,761,961	1,766,518	
	Oklahoma Panhandle State University	1,029,654	1,205,263	1,309,802	
	Rogers State University	2,569,572	2,817,080	2,564,556	
	The University of Virginia's College at Wise	4,372,540	3,381,372	3,275,043	
	West Liberty University	1,651,546	1,907,578	1,872,919	
Per FTE/HC Rate	Dickinson State University	\$ 1,957	\$ 1,786	\$ 1,657	\$ 1,800
	Glenville State College	\$ 717	\$ 597	\$ 600	\$ 638
	Massachusetts College of Liberal Arts	\$ 2,899	\$ 2,683	\$ 2,690	\$ 2,757
	Montana State University-Northern	\$ 1,579	\$ 1,432	\$ 1,324	\$ 1,445
	Oklahoma Panhandle State University	\$ 836	\$ 929	\$ 953	\$ 906
	Rogers State University	\$ 630	\$ 699	\$ 573	\$ 634
	The University of Virginia's College at Wise	\$ 2,157	\$ 1,549	\$ 1,430	\$ 1,712
	West Liberty University	\$ 705	\$ 708	\$ 675	\$ 696
Per Student Headcount rate		UMPI			\$ 1,324

Calculate Peer Academic Support Cost

Applied to UMPI Student Headcount

Calculate Academic Support Costs	
Peer 3-Year Average Rate: Academic Support Costs per Peer Student Headcount (All Funds)	\$ 1,324
UMPI's Unrestricted to All Funds Ratio for Academic Support Costs	89.01%
Peer 3-Year Average Rate adjusted to reflect Unrestricted Portion	\$ 1,178
UMPI's 3-Year Average Student Headcount	1,360
UMPI's 3-Year Average Student Headcount	\$ 1,601,609

Calculated Peer Total Unrestricted Costs

(Excluding Auxiliary) Applied to UMFK

Instruction	\$ 6,285,782
Research	16,277
Public Service	161,765
Academic Support	2,402,969
Student Services	2,877,216
Institutional & Administrative Support	3,028,834
Facilities* (Operations, Maintenance)	2,369,527
Student Financial Aid	1,633,904
Depreciation & Interest*	608,745
Total Unrestricted Costs	\$ 19,385,020

*Beginning in FY16, IPEDS no longer reported Facilities and Depreciation & Interest as separate cost centers but rather as component costs within the other 7 cost centers.

Cost Share: State & Student

Cost Share: Student and State Appropriation									
UMFK	Total Peer Cost	State's Suggested Share		Student FTE Percent		State Calculated Support		Student Calculated Support	
		Resident	Non-Res	Resident	Non-Res	Resident	Non-Res	Resident	Non-Res
Undergraduate	\$ 19,385,020	60.00%	0.00%	82.16%	17.84%	\$ 9,556,047	\$ -	\$ 6,370,698	\$ 3,458,275
Graduate (Masters/Doctoral/Law)	\$ -	40.00%	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -
Total Required State Support	\$ 19,385,020					\$ 9,556,047	\$ -	\$ 6,370,698	\$ 3,458,275

State's Suggested Share		Student FTE Percent	
Resident	Non-Res	Resident	Non-Res
Ugrad	60.00%	82.16%	17.84%
Grad	40.00%	0.00%	0.00%

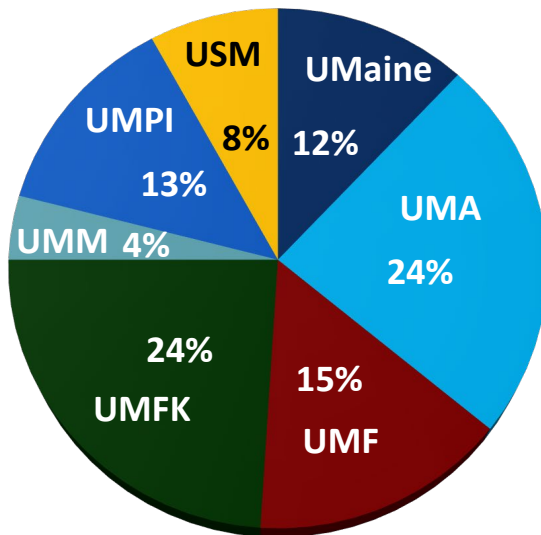
Parity Calculation

								New Appropriation
								\$ 1,435,714
								Strategic Investment 30.0% \$ 430,714
								Governance Budget Adjustment 0.3% \$ 5,000
								Appropriation for Campus Parity 69.7% \$ 1,000,000
Public service - Incentive	Total E & G	Required State Support	FY19 Appropriation Allocation*	Net Variance	% Funded	Disparity Factor	Disparity Percent	Parity Allocation
UMFK	\$ 19,385,020	\$ 9,556,047	\$ 6,871,862	\$ (2,684,185)	71.9%	28.09	25.44%	\$ 254,439

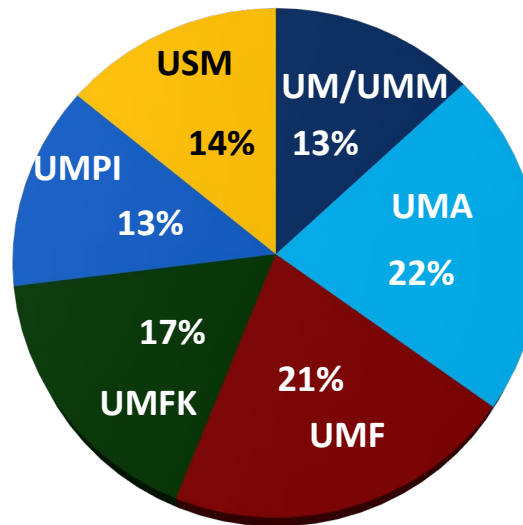
- The Disparity Factor is the inverse of the % Funded for each campus.
- The Disparity Percent equals the campuses' percentage of the sum of the Disparity Factors.
- No campus will be funded in excess of the percent that total State Appropriation funds the calculated "Required State Support" for the system, as a whole.

Dynamic Response – FY20, FY22 & FY23

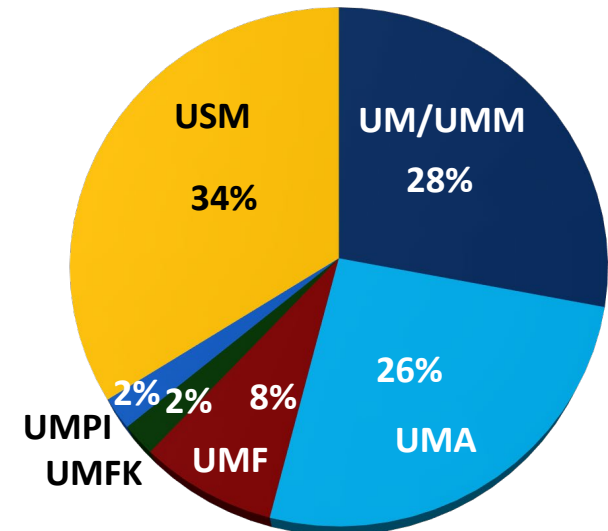
FY20



FY22



FY23



Note: There was no new money to allocate in FY21
UMaine & UMM were combined in FY22 & FY23

University of Maine System
Board of Trustees

AGENDA ITEM SUMMARY

NAME OF ITEM: Campus Retention Rates and Enrollment by Campus

INITIATED BY: Roger J. Katz, Chair

BOARD INFORMATION: X

BOARD ACTION:

BOARD POLICY:

UNIFIED ACCREDITATION CONNECTION:

BACKGROUND:

Vice Chancellor Low will provide a brief presentation of FY24 System Institutional Research vs campus enrollment assumptions, as well as the most recent retention rates.

04/04/2023

Campus Retention Rates

Campus Retention Rates

Fall 2021 Fall-to-Fall Return Rates	UMaine	UMA	UMF	UMFK	UMM	UMPI	USM	LAW
Undergraduate (full-time)	81.5%	68.7%	77.2%	76.3%	69.3%	67.0%	75.4%	
Undergraduate (full & part-time)	79.1%	62.7%	75.6%	69.7%	63.9%	61.8%	71.1%	
Graduate/Law (full-time)	83.5%	40.0%	83.3%			80.0%	78.4%	92.4%
Graduate/Law (full & part-time)	78.3%	44.8%	70.2%			54.5%	72.9%	91.3%

Source: https://public.tableau.com/app/profile/ums.academic.affairs/viz/ReturnRatesFall-to-Fall_16343274816180/UndergraduateSummary

Enrollment by Campus

UMS Enrollment Projection Model

The UMS Enrollment Projection Model projects enrollment by institution, student level, and tuition residency for four categories of students:

- **New**
- **Continuing**
- **Stop outs**
- **Non-degree**

The Model projects headcounts and using 4-year average historical credit hour loads, projects total credit hours.

- **New** student (first-time *and* transfer) headcount projections are based on historical enrollment data and regression models that include economic and demographic variables.
 - Variables included: Consumer Price Index (CPI), Gross Domestic Product (GDP), Unemployment Rates, Real Income Per Capita, and High School Graduates.
- **Continuing** student headcount projections are based on four-year average return rates (fall-to-fall *and* fall-to-spring enrollment), which are weighted to bias more recent (post-Spring 2020) return rates.
- Projections for **stop out** students (students who have non-continuous enrollment patterns) *and* **non-degree** headcount enrollments are based on historical 4-year average changes for these populations.

Campuses may wish to deviate from the results of the Model

- The Model is based on historical trends and does not account for new changes in programs offered by institutions (e.g., if a campus adds or removes an academic degree program) or unpredictable factors that impact enrollment.
- If a new program has seen continual exponential growth (such as programs through Academic Partnerships at UMPI), the Model will likely estimate continued growth, which might conflict with the expectations of the campus.

Enrollment by Campus

UMaine	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
<i>Early College</i>	4,777	4,777	0	0.00%	
Undergraduate:					
In-State	136,371	138,190	1,818	1.33%	Spring calculated using spring-to-fall ratio, Projecting incoming class will be slightly lower (1865 vs. 1878) composition to Fall 2022 Adjusted to reflect returning degree-seeking credit hours as calculated by UM IR Adjusted to reflect fall 2022
Out-of-State	89,970	89,073	-897	-1.00%	Spring calculated using spring-to-fall ratio, Projecting incoming class will be slightly lower (1865 vs. 1878) composition to Fall 2022 Adjusted to reflect returning degree-seeking credit hours as calculated by UM IR
Graduate:					
In-State	17,788	17,732	-56	-0.32%	Adjusted to reflect fall 2022 Adjusted to reflect new degree-seeking credit hours as calculated by UM IR and a coding change made to the tuition residency field Adjusted to reflect returning degree-seeking credit hours as calculated by UM IR and a coding change made to the tuition residency field
Out-of-State	13,753	13,142	-611	-4.44%	Adjusted to reflect fall 2022 Adjusted to reflect new degree-seeking credit hours as calculated by UM IR and a coding change made to the tuition residency field Adjusted to reflect returning degree-seeking credit hours as calculated by UM IR and a coding change made to the tuition residency field
UMaine Total	262,660	262,914	254	0.10%	

Enrollment by Campus

UMM	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
Early College	2,694	2,694	0	0.00%	
Undergraduate:					
In-State	6,387	6,328	-59	-0.93%	Spring calculated using spring-to-fall ratio, Projecting incoming class will be similar in composition to Fall 2022 Adjusted to reflect returning degree-seeking credit hours as calculated by UM IR Adjusted to reflect fall 2022
Out-of-State	2,869	3,059	190	6.63%	Spring calculated using spring-to-fall ratio, Projecting incoming class will be similar in composition to Fall 2022 Adjusted to reflect returning degree-seeking credit hours as calculated by UM IR Adjusted to reflect fall 2022
Graduate:					
In-State	39	39	0	0.00%	
Out-of-State	39	39	0	0.00%	
UMM Total	12,028	12,159	131	1.09%	

Enrollment by Campus

UMA

	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
<i>Early College</i>	8,382	7,463	-919	-10.96%	FY23 exceeded budgeted credit hours each term; assuming actuals for FY24
Undergraduate:					
In-State	55,403	56,220	817	1.47%	Addition of soccer (m&w); stronger spring '23 admissions; returning credit hours higher
Out-of-State	6,639	6,834	195	2.94%	Increased recruiting efforts; addition of soccer; Aviation scholarships
Graduate:					
In-State	493	786	293	59.47%	Continued loading up of 3 graduate programs
Out-of-State	142	216	74	52.04%	Higher yield on larger international application pool for online grad programs
UMA Total	71,059	71,519	460	0.65%	

Enrollment by Campus

UMF

	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
<i>Early College</i>	1,903	1,937	34	1.79%	To bring enrollment projections in line with previous budget
Undergraduate:					
In-State	25,314	27,557	2,243	8.86%	To bring enrollment projections in line with previous budget Reflects 80 new InState students (13 T&F/XC and 67 other)
Out-of-State	6,594	7,164	570	8.65%	To bring enrollment projections in line with previous budget Reflects 14 new OOS students (2 T&F/XC and 12 other) Reflects 6 new NEBHE students (1 T&F/XC and 5 other)
Graduate:					
In-State	3,077	3,732	655	21.28%	The Graduate Program is projecting growth and a higher enrollment than IR projected; increase in enrollment based on Graduate estimates-new programs/activities
Out-of-State	0	0	0		
UMF Total	36,888	40,390	3,502	9.49%	

Enrollment by Campus

UMFK	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
<i>Early College</i>	4,544	4,544	0	0.00%	
Undergraduate:					
In-State	4,716	5,372	656	13.91%	Data indicates higher in-coming headcount than this trend analysis. 83 vs 44.
Out-of-State	4,127	4,996	869	21.06%	Data indicates higher in-coming headcount than this trend analysis. 78 vs 42.
Academic Partnerships	3,471	3,471	0	0.00%	
Graduate:					
In-State	0	0	0		
Out-of-State	0	0	0		
Academic Partnerships	312	312	0	0.00%	
UMFK Total	17,170	18,695	1,525	8.88%	

Enrollment by Campus

UMPI	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
<i>Early College</i>	5,680	4,579	-1,101	-19.38%	Total EC for FY23 lower than projected. FY24 total EC budget is flat to FY23 actuals. 80% of Aroostook County high schools continue to decline in population.
Undergraduate:					
In-State	11,216	11,216	0	0.00%	
Out-of-State	4,417	4,417	0	0.00%	
Academic Partnerships	18,612	26,410	7,798	41.90%	Anticipating continued growth in the subscription based YourPace program.
Graduate:					
In-State	0	0	0		
Out-of-State	0	0	0		
Academic Partnerships	484	484	0	0.00%	
UMPI Total	40,408	47,106	6,698	16.58%	

Enrollment by Campus

USM

	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
<i>Early College</i>	7,900	7,900	0	0.00%	
Undergraduate:					
In-State	86,382	86,382	0	0.00%	
Out-of-State	22,743	22,743	0	0.00%	
Graduate:					
In-State	18,262	18,262	0	0.00%	
Out-of-State	2,915	2,915	0	0.00%	
Academic Partnerships	5,885	5,885	0	0.00%	
USM Total	144,086	144,086	0	0.00%	

LAW

	IR Projection	Campus Budget	Change	Percent Change	Explanation of Change
In-State	5,037	5,015	-22	-0.44%	
Out-of-State	2,618	2,833	215	8.22%	This keeps FY24 at revised FY23 enrollment budget levels. Also accounts for the launch of an online master's degree
LAW Total	7,655	7,848	193	2.52%	

UMS Total	591,953	604,716	12,763	2.16%
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