

OCTOBER 2021

Senate Reference No. 21-10

FY22 ANNUAL BUDGET

PURDUE
UNIVERSITY[®]
FORT WAYNE

CORE TUITION CHANGES

	Enrollment Revenues		
	FY21 Actuals	FY22 Budget	Fall 21 vs. Fall 20 Actuals
UG Resident	-5%	-6%	-3%
GR Resident	11%	-12%	12%
UG Non Resident	-4%		-5%
GR Non Resident	-11%		-7%
UG International	36%		61%
GR International	30%		51%
Total Enrollment Changes	-4%	-7%	-3%
Revenue Changes	-\$2,580,981	-\$3,923,055	-\$957,118

- Even with continual budget reductions, PFW still does not have a balanced budget and continues to suffer from a structural deficit

FY22 BUDGET

- The FY22 Budget of \$139.8MM represents a \$2.0MM reduction (-1.4%) over the FY21 Budget
- The budget reflects:
 - Reduced institutional aid due to a reduction in Pell Grant and scholarship requests
 - Transfer of staffing between departments (e.g., ODEI, Student Advising, Admissions)
 - Website development costs and recruiting
 - Right-sizing budgets across the university
 - Reductions in travel, supplies and other expenses
- The balances do not include the impact of \$16.3MM in HEERF related spending

FY22 BUDGET BY SEGMENT

	FY22 Budget	FY21 Budget	FY22 vs. FY21 Inc/(Decr)	Percent Inc/(Decr)
Institutional Aid	22,587,087	25,176,204	(2,589,117)	(10.3%)
Chancellor	1,199,226	597,663	601,563	100.7%
ODEI	795,739	261,786	533,953	204.0%
Communications & Marketing	3,032,209	2,287,818	744,391	32.5%
Development	1,488,182	1,405,749	82,433	5.9%
Student Affairs	15,807,939	16,772,870	(964,931)	(5.8%)
Finance & Administration	38,546,055	36,953,560	1,592,495	4.3%
Academic Affairs	56,314,733	58,271,140	(1,956,407)	(3.4%)
TOTAL	139,771,170	141,726,790	(1,955,620)	(1.4%)

- The structural deficits are not going away anytime soon
- We have to take an “All in this Together” approach to get PFW back to financial stability

CUMULATIVE BUDGET CUTS FY20 – FY22

Budgeted Expenses	FY2019	FY2020		FY2021		FY2022		FY2020 - FY2022	
	Base Year	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change
Institutional Aid	24,993,381	(631,957)	(2.5%)	814,781	3.3%	(2,589,118)	(10.3%)	(2,406,294)	(9.6%)
Chancellor	3,107,449	1,864,435	60.0%	(4,374,220)	(88.0%)	601,563	100.7%	(1,908,223)	(61.4%)
ODEI	328,559	21,055	6.4%	(87,828)	(25.1%)	533,953	204.0%	467,180	142.2%
Communications and Marketing	1,137,190	632,943	55.7%	517,686	29.2%	744,391	32.5%	1,895,019	166.6%
Development	1,522,090	(474,791)	(31.2%)	358,450	34.2%	82,433	5.9%	(33,908)	(2.2%)
Student Affairs	14,453,301	1,674,727	11.6%	644,843	4.0%	(964,931)	(5.8%)	1,354,638	9.4%
Academic Affairs	61,401,325	275,592	0.4%	(3,405,777)	(5.5%)	(1,956,407)	(3.4%)	(5,086,591)	(8.3%)
Finance & Administration	42,313,873	4,243,967	10.0%	(9,604,279)	(20.6%)	1,592,495	4.3%	(3,767,817)	(8.9%)
TOTAL	149,257,167	7,605,970	5.1%	(15,136,344)	(9.6%)	(1,955,622)	(1.4%)	(9,485,997)	(6.4%)

- Over the last three fiscal years, PFW has reduced its total budget by almost \$9.5MM (-6.4%)
- Institutional Aid has had the largest percentage drop of -9.6% followed by the Finance & Administration with an -8.9% reduction.
- Academic Affairs will receive \$4.85MM from a Legislative appropriation

HEADCOUNT AND FTE REPORT

							FY22 vs. FY20	
	FY20		FY21		FY22 Budget		Increase/(Decrease)	
	Reported Headcount	FTE	Reported Headcount	FTE	Reported Headcount	FTE	Reported Headcount	FTE
FACULTY								
Tenure/Tenure Track	238	230	226	221	245	240	7	10
Clinical/Non-Tenure Track	14	14	18	18	17	17	3	4
Limited Term Lecturer	273	270	230	284	234	288	(39)	18
Visiting faculty	28	25	37	34	16	14	(12)	(11)
Lecturer	52	51	48	47	46	46	(6)	(5)
Total Faculty	605	589	559	603	558	605	(47)	16
STAFF								
Administrative	319	317.85	306	306	318	316	(1)	(2)
Clerical	117	113.75	109	106	111	107	(6)	(6)
Service	132	130.75	124	123	128	127	(4)	(4)
Total Staff	568	562	539	535	557	551	(11)	(12)
GRAND TOTAL	1,173	1,151	1,098	1,138	1,115	1,155	(58)	4

- Since July 1st, PFW has had 55 non-faculty staff positions become vacant

FY21 YEAR END CASH BALANCES

- PFW's year-end cash balance was \$54.1MM
- This represents an increase of approximately \$8.7MM
 - Several items contributed to the increase
 - Reduced spending across campus
 - Deferred FICA payments
 - Cancellation and delays of R&R projects
 - Lost revenues recovered from HEERF/CARES funding
- We are still under our targeted cash balance of \$70MM (4.5-5 mos.)
- PFW Foundation's Unrestricted Cash on Hand was \$1.0MM

BUDGET GOALS

- A balanced budget every year
 - Resources are aligned with the goals and mission of PFW
 - Right sizing budgets (Control Expenses)
 - Recurring and non-recurring expenses
 - Simplify the budget process and make it consistent from year to year
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- Can't "continually cut our budgets to achieve prosperity"
 - Enrollment and retention are key to financial stability