

OCTOBER 2020

PFW ANNUAL PLAN FY21

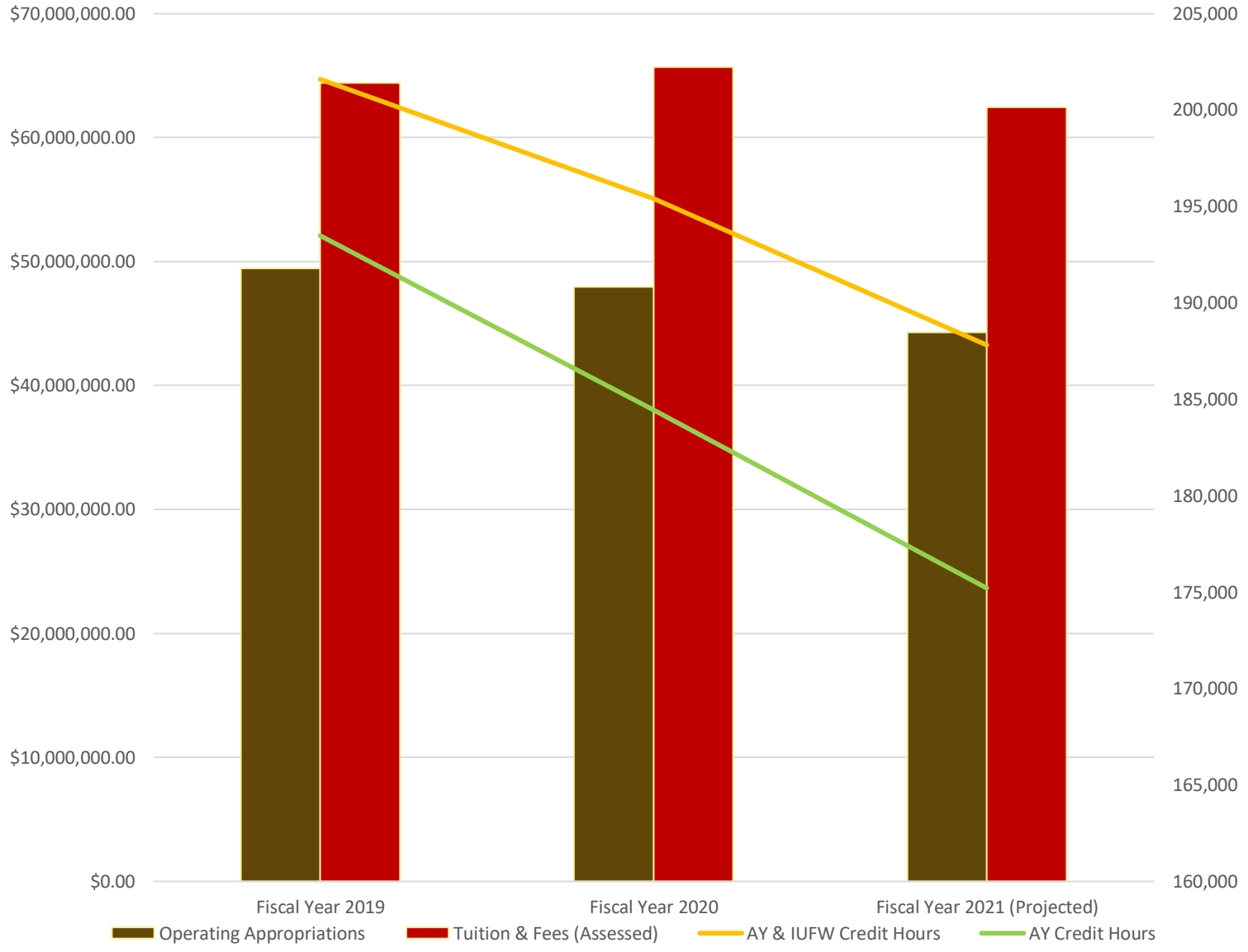
PURDUE
UNIVERSITY®
FORT WAYNE

FY21 REVENUE CHANGES

FY2021 Major Revenue Changes from Prior Year Actual

	V1 Annual Plan FY21 (June 2020)		V2 Annual Plan FY21 (September 2020)		Net of Change
	%	\$	%	\$	\$
State Operating Appropriations	-10%	\$4,407,856	-7%	\$3,085,500	(\$1,322,356)
Core Tuition and Fees <i>Includes 1.65% Rate Increase</i>	-10%	\$6,132,431	-8%	\$4,587,473	(\$1,544,958)
Investment Income & Distributions	-20%	<u>\$286,086</u>	-20%	<u>\$288,570</u>	<u>\$2,484</u>
Total		<u>\$10,826,373</u>		<u>\$7,961,543</u>	<u>\$2,864,830</u>

FY21 REVENUE CHANGES



FY21 BUDGET REDUCTIONS

Budget Adjustments to Operating Units:

Version 2 Budget

Central	\$2,760,949
Chancellor	\$224,166
Development	\$234,102
Marketing	\$112,014
Student Affairs	\$68,005
Financial & Administrative Affairs	\$1,714,600
Academic Affairs	\$2,114,611
Recurring Cuts Total	\$7,228,447

Version 1 Budget: Recurring Cuts Total: \$8,334,830

FY20 YEAR END CASH BALANCE

- FY20 ending cash balance was approximately \$45.4M across all university accounts.
- This represents a decrease of approximately \$11.2M.
 - Several items have contributed to the reduction in cash, which is mostly reflected in Statement of Financial Activity.
 - Net decline in enrollment
 - Targeted retirement payouts
 - Excess repair activity on student housing
 - Increase in institutional aid and COVID-19 expenses
 - Park 3000 acquisition (\$3.8m purchase; \$2.8m donations)
- CFI has been negatively affected by decline in cash balance

FYE 6/30/20	FYE 6/30/19	FYE 6/30/18	FYE 2017
0.58	1.57	1.29	2.11

Corrective Actions:

- Reduce carryforward/reserve spending – spend within budget
- Soft hiring freeze
- Reduction of travel
- Reduction of procurement activities (essential spend only)

FY21 BOTTOM LINE OVERVIEW

Category 1	Category 2	Annual Plan v1	Annual Plan v2	Variance	Comments
01 - REVENUE	00_01 - RECURRING ALLOCATIONS	(60,000.00)	(60,000.00)	-	
	01_01 - TUITION & FEES	(60,879,403.16)	(62,424,361.16)	(1,544,958.00)	Fall Census added back 5% Fall Term Only
	01_02 - APPROPRIATIONS	(42,975,379.00)	(44,297,735.40)	(1,322,356.40)	v2 Plan reflects a 7% State Appropriation revenue decline
	01_05 - SALES & SERVICES	(15,346,504.43)	(14,617,436.93)	729,067.50	Net adjustments for telecom; external/internal sales projections
	01_06 - GIFTS	(1,054,621.00)	(1,383,028.92)	(328,407.92)	Net adjustments based on FY20 actuals
	01_07 - GRANTS & CONTRACTS	(11,967,238.00)	(13,293,428.55)	(1,326,190.55)	CARES Act Grant offset PELL & SOEG Scholarship expense
	01_08 - INVESTMENT INCOME & DISTRIBUTIONS	(4,059,054.10)	(3,911,352.18)	147,701.92	Net adjustments based on FY20 actuals
	01_09 - OTHER REVENUE	(1,682,433.81)	(1,682,433.81)	-	
	01_10 - RECOVERY	(882,340.00)	(552,158.23)	330,181.77	Net adjustment to remove subsidy and convert to recurring allocation
	01_15 - TRANSFERS-REVENUE	6,823.77	(2,685,210.80)	(2,692,034.57)	v1 Plan did not include CARES Act Grant funding
01 - REVENUE Total		(138,900,149.73)	(144,907,145.98)	(6,006,996.25)	
02 - EXPENSES	02_01 - S&W	58,822,188.17	61,040,682.59	2,218,494.42	Added newly hired faculty/visiting; ITS PSC positions; 2 Bursar staff
	02_02 - FRINGES	20,123,981.33	20,615,146.04	491,164.71	Fringe increase for S&W additions above
	02_03 - SUPPLIES & SERVICES	26,545,413.38	26,702,108.69	156,695.31	Net adjustments for telecom; S&E rebalancing
	02_03.1 - OVERHEAD	2,856,643.00	2,582,643.00	(274,000.00)	Net adjustment to remove subsidy and convert to recurring allocation
	02_03.2 - CAPITAL	435,316.00	435,316.00	-	
	02_03.3 - SCHOLARSHIPS, FELLOWSHIPS & AWARDS	19,154,361.01	24,664,325.40	5,509,964.39	v1 Plan did not include PFW Scholarship expenses; CARES Act award expenses
	02_03.4 - FINANCING EXPENSES	15,000.00	15,000.00	-	
	02_05 - TRANSFERS-EXPENSE	12,239,325.11	9,480,730.99	(2,758,594.12)	R&R adjustments entered by PWL
02 - EXPENSES Total		140,192,228.00	145,535,952.71	5,343,724.71	
Total		-	1,292,078.27	628,806.74	(663,271.54)

BUDGET ACTION ITEMS

Focus Areas:

- Budget PFW Scholarships (\$3 million)
- Reduce carryforward/reserve spending (need to build up savings)
- Soft hiring freeze
- Reduce travel
- Reduce procurement activities (essential spend only)