

SUBJECT: Finance & Facilities Committee Meeting Report for November 18, 2020

In accordance with the General Laws of the Commonwealth of Massachusetts, Chapter 30A and amended by Executive Order No. __, issued March 13, 2020, suspending parts of the Open Meeting Law to allow public remote participation and participation by the public body remotely the Finance & Facilities Committee of the Board of Trustees met remotely on Wednesday, November 18, 2020. All votes taken during this meeting were by roll call vote.

Present for the Committee: Trustees Katzman (chair), Russell (vice chair), Murphy, DeSimone, Cadet, and Chair Lutts (ex-officio); President Keenan (ex-officio); Vice President House (committee liaison) and staff associate Beaulieu.

Trustee Katzman, committee chair, called the meeting to order at 4:05 pm.

IPEDS institutional support percentage for SSU (Attachment A, B)

Definitions and authoritative guidance on classification of expenses come from both IPEDS and NACUBO (National Association of College and University Business Officers) FARM (Financial Accounting and Reporting Manual). A review of the university's institutional support expenses using the above guidance caused three items to be reclassified. Salem State's IPEDS institutional support as compared to its state university peers was presented and discussed.

Cost structure of the Business Intelligence net contribution report (Attachment B)

The Business Intelligence (BI) Net Contribution discussion was led jointly by Vice President House, Provost Silva and Director of Business Intelligence and Integration McAuliffe. The function and capabilities of the BI system were described. The academic structure, course model and major model were discussed. The net contribution analysis is based on program revenue minus direct program expense. The types of expenses included and excluded were defined. It was noted that the BI net contribution report is not a full-cost model. A lengthy discussion took place.

There being no further discussion, Trustee Russell **MOVED** that the Finance and Facilities Committee meeting adjourn **SECONDED** by Trustee Murphy:

A roll call vote was taken.

Voting in the affirmative: Trustees Cadet, DeSimone, Katzman, Murphy, Russell

Voting against: None

The meeting adjourned at 5:36 pm.

Prepared by: D. Beaulieu, staff associate, finance and facilities

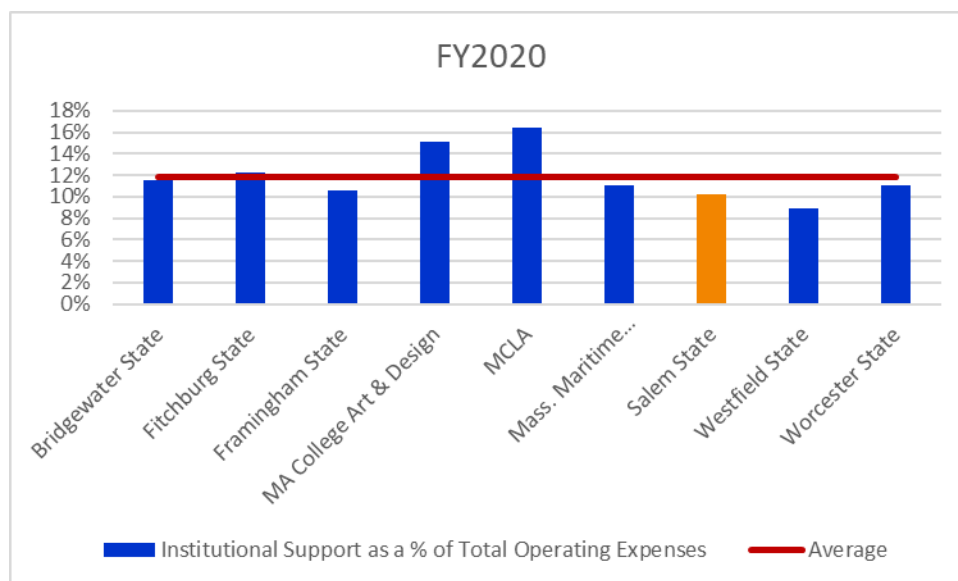
Date: November 16, 2020
To: Board of Trustees
From: Karen House
Subject: IPEDS Institutional Support as Compared to Peers
Requested Action: None

We were asked to explain why Salem State’s ratio of institutional support (administrative) expenses to total expenses was high compared to the other state universities. The data used to compare Salem State to its sister institutions is from the IPEDS (Integrated Postsecondary Education Data System) which is a federal government data collection system.

After this concern was raised, the Salem State University finance office reviewed expenses rolling up to institutional support to make sure they were appropriately categorized. This review identified three items that have historically rolled up to institutional support that should be categorized in a different expense category based on authoritative guidance from IPEDS and NACUBO. These three items are:

- University Police (dept. 130) \$2.8M in FY20, recategorized to *Operations & Maintenance of Plant*
- Lease expense for 331 Lafayette (dept 730) \$0.6M in FY20, recategorized to *Operations & Maintenance of Plant*
 - Note that Salem State had already been charging the lease expense for 287 Lafayette (School of Social Work) to Operations & Maintenance of Plant
- ITS Dormitory Charges (dept. 438) - \$0.2M, recategorized to *Auxiliary Enterprises*

As part of the process of finalizing the financial statements recently audited, these three items were recategorized for FY2019 and FY2020. As can be seen in the chart below, Salem State is below the average of our sister institutions when looking at institutional support as a percentage of total operating expenses.




For further information – the material below is from the National Association of College and University Business Officers' (NACUBO) Financial Accounting and Reporting Manual pertaining to functional expense classifications.

¶342.16 Institutional Support

The institutional support category includes expenses for central, executive-level activities concerned with management and long-range planning for the entire institution, such as the governing board, planning and programming operations, and legal services; fiscal operations, including the investment office; administrative data processing; space management; employee personnel and records; logistical activities that provide procurement, storerooms, printing; transportation services to the institution; support services to faculty and staff that are not operated as auxiliary enterprises; and activities concerned with community and alumni relations, including development and fund raising.

Appropriate allocations of institutional support should be made to auxiliary enterprises, hospitals, and any other activities not directly related to the primary program categories or the related support categories.

¶701.33 Operation and Maintenance of Plant Expenses



The operation and maintenance of plant category includes all expenses for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant. These expenses include items such as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture, and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; earthquake and disaster preparedness; safety; hazardous waste disposal; property, liability, and all other insurance relating to property; space and capital leasing; facility planning and management; and central receiving.

¶701.4 Areas of Potential Inconsistency

efarm.nacubo.org

Certain activities may vary from one institution to another. Those variances may result in inconsistencies in the reporting of expenses by function. For example, an NCAA Division I institution may classify its intercollegiate athletics programs as auxiliaries while a Division III school may classify its intercollegiate athletics as student services. When determining the appropriate functional categorization, management should look to the structure of the activities at their particular institution. If an activity is categorized in a way that may be different from the way it is classified by other institutions, management should include a disclosure in the financial statements that discusses the reasoning for such classification.

The following are known areas of inconsistency:

- Accreditation – Some institutions classify as Academic Support, other as Institutional Support. Since it pertains to the academic program, Academic Support is preferred.
- Campus security – Some institutions classify as Student Services, others as Operations and Maintenance of Plant. Since the scope of responsibility has generally been expanded to safety and security of the entire campus, Operations and Maintenance of Plant seems to be a more appropriate category.

Board of Trustees Finance and Facilities Committee November 18, 2020

Karen House, Vice President for Finance and Facilities

David Silva, Academic Vice President and Provost

Matt McAuliffe, Director of Business Intelligence

Flow of the meeting

- IPEDS costs, focus on institutional support (administrative)
- BI Net Contribution Analysis – cost allocations

Note: only financial view of departments is under discussion today. Other important characteristics such as alignment to university mission & strategic plan, workforce needs, etc. not part of this discussion.

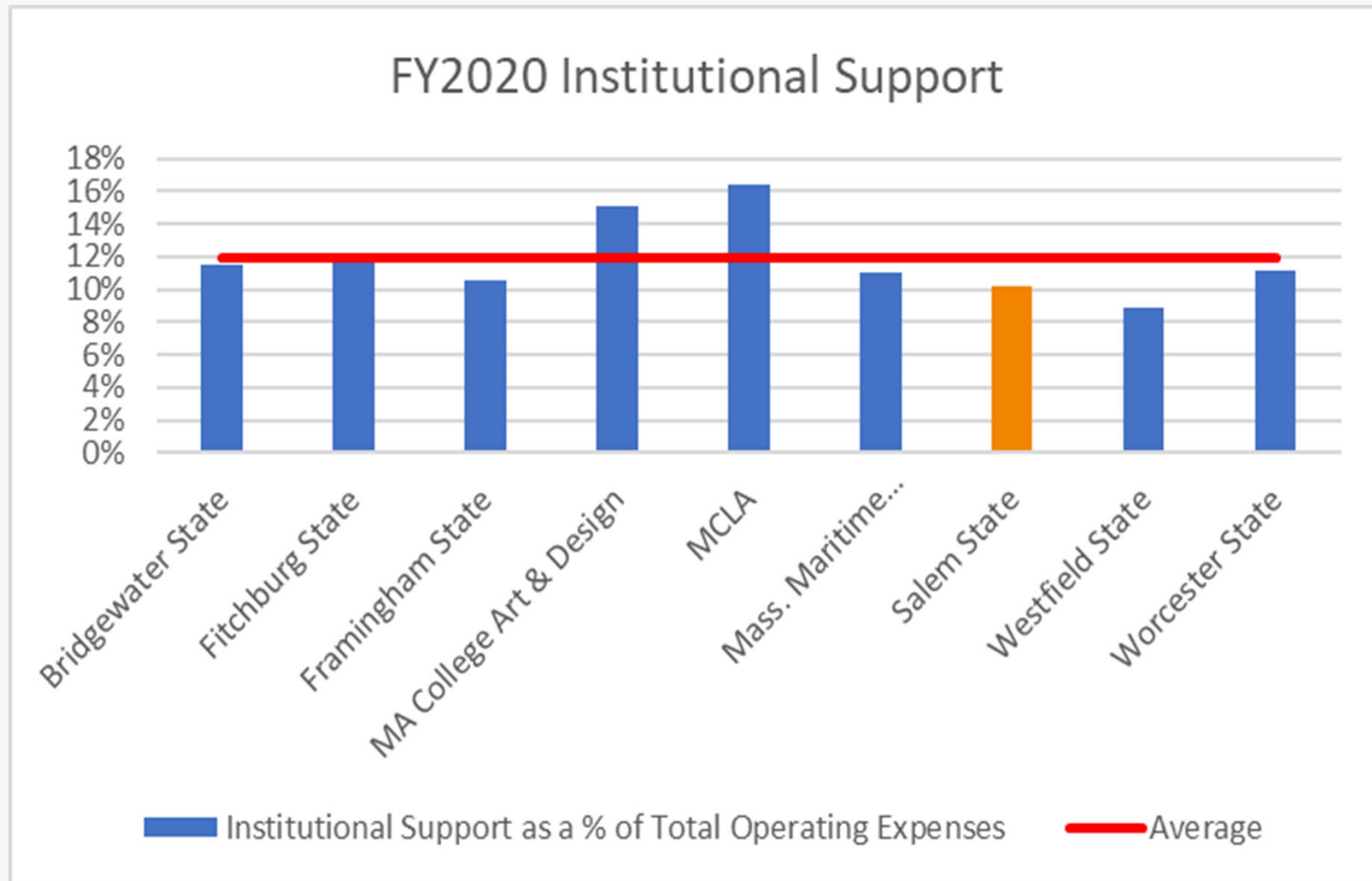
Institutional Support (Administrative Expenses)

- SSU's institutional support % was high vs state university peers, based on IPEDS data
- IPEDS is federal reporting system
- Functional expense classifications are not precise and have changed over time; NACUBO FARM has more detailed instructions
- Difficult to analyze one institution vs another without insight into the detail of who charges what where
- Notoriously inconsistent

SSU Reviewed Institutional Support

- Found 3 items that didn't belong in institutional support
 - Reclassified them
 - Our expenses are in line with state university peers now

Institutional Support



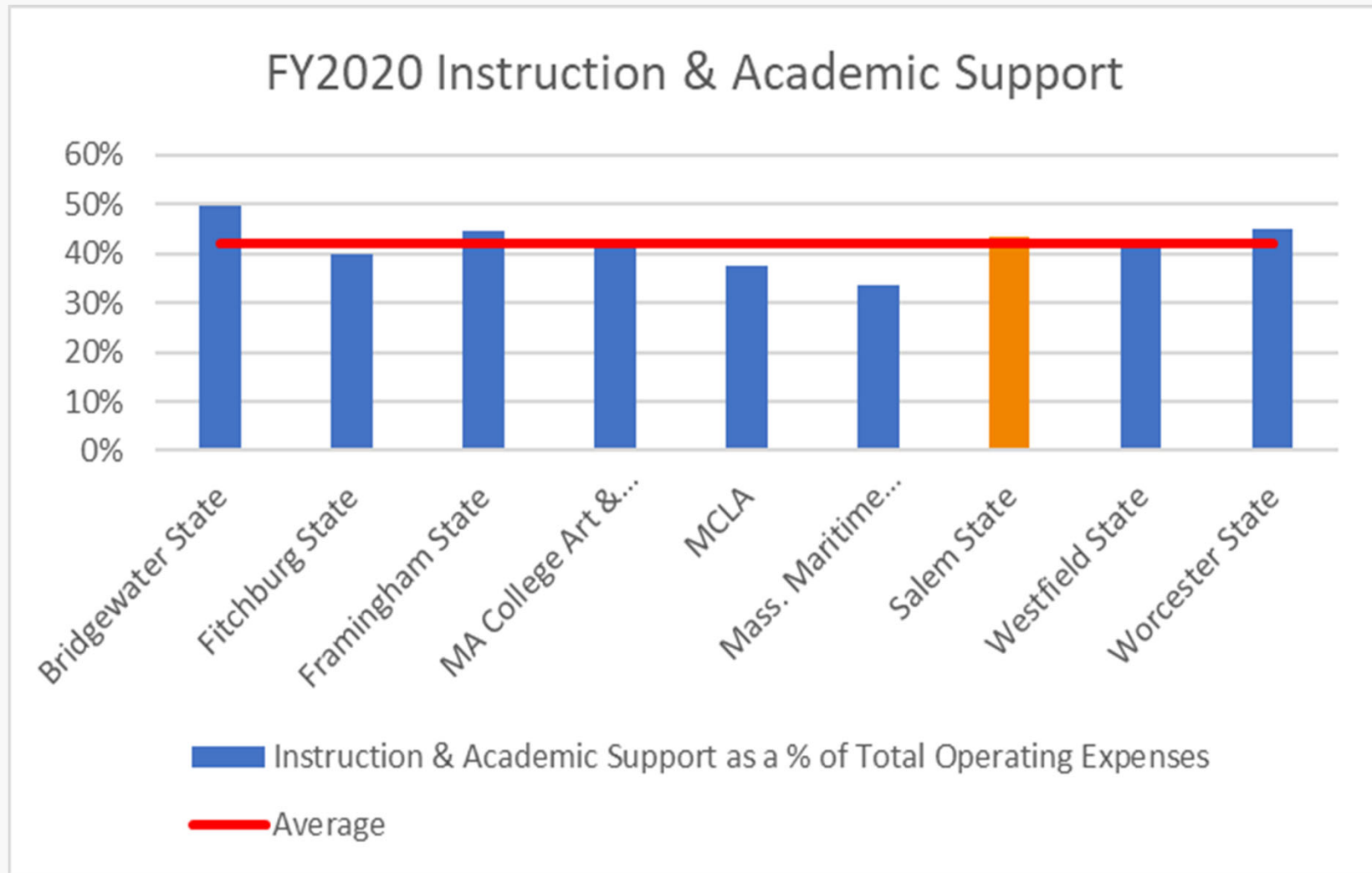
What did we recategorize?

- University Police
 - \$2.8M in FY20 → O&M
- 331 Lafayette lease
 - \$0.6M in FY20 → O&M
- ITS Dormitory Charges
 - \$0.3M in FY20 → Auxiliary Enterprises

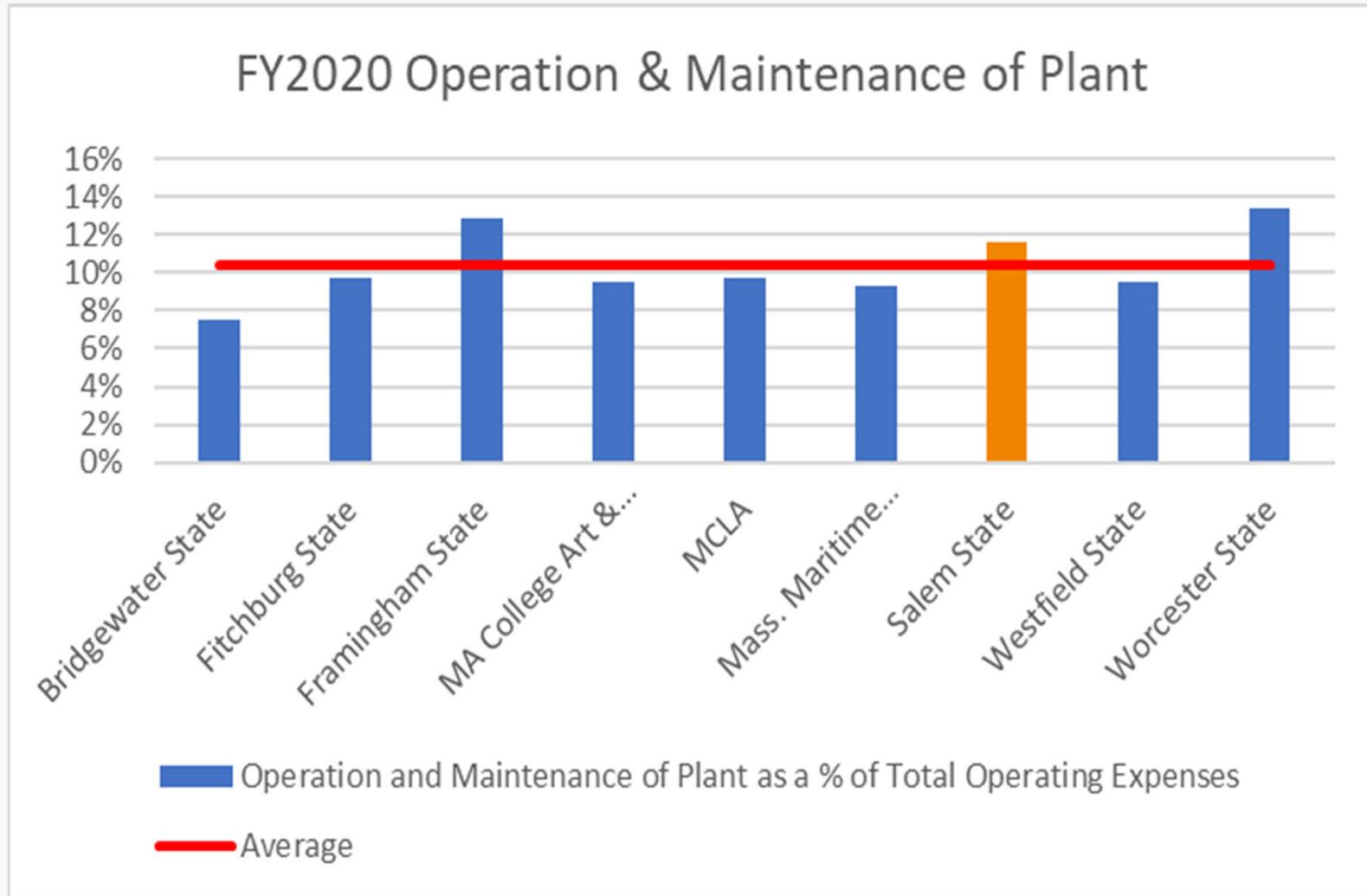
Other reasons SSU institutional support may be high relative to peers

- More mature (& successful!) fundraising operation
- Certain more robust administrative functions including risk management – both staffing & purchased insurance
- Possibly more long-serving AFSCME employees (no cap on salary ranges)
- Difficult to analyze one institution vs another without knowledge who charges what, where

Instruction & Academic Support



O&M



Additional steps to take

- Allocate Operation and Maintenance to the various functional categories
- Re-evaluate SSU institutional support (and other categories) following the allocation, assuming the other state universities do the same allocation
- Review & reduce SSU administrative costs
 - Sustainable Path Task Force
 - EY Parthenon

BI Net Contribution Discussion

- BI is a system
 - Not just the Net Contribution Analysis
 - Other useful reports in BI
- Foundational Definitions – Net Contribution Analysis
- Breakdown of university revenue & spending (context)

BI Net Contribution (cont.)

- Net Contribution Report Expenses
 - How are costs assigned to departments for the purposes of this report?
 - What's in, what's not and why
 - Anomalies/challenges in the data
- Which academic departments cover their costs? It depends...
- Two revenue models – Major and Course

Business Intelligence (BI) System

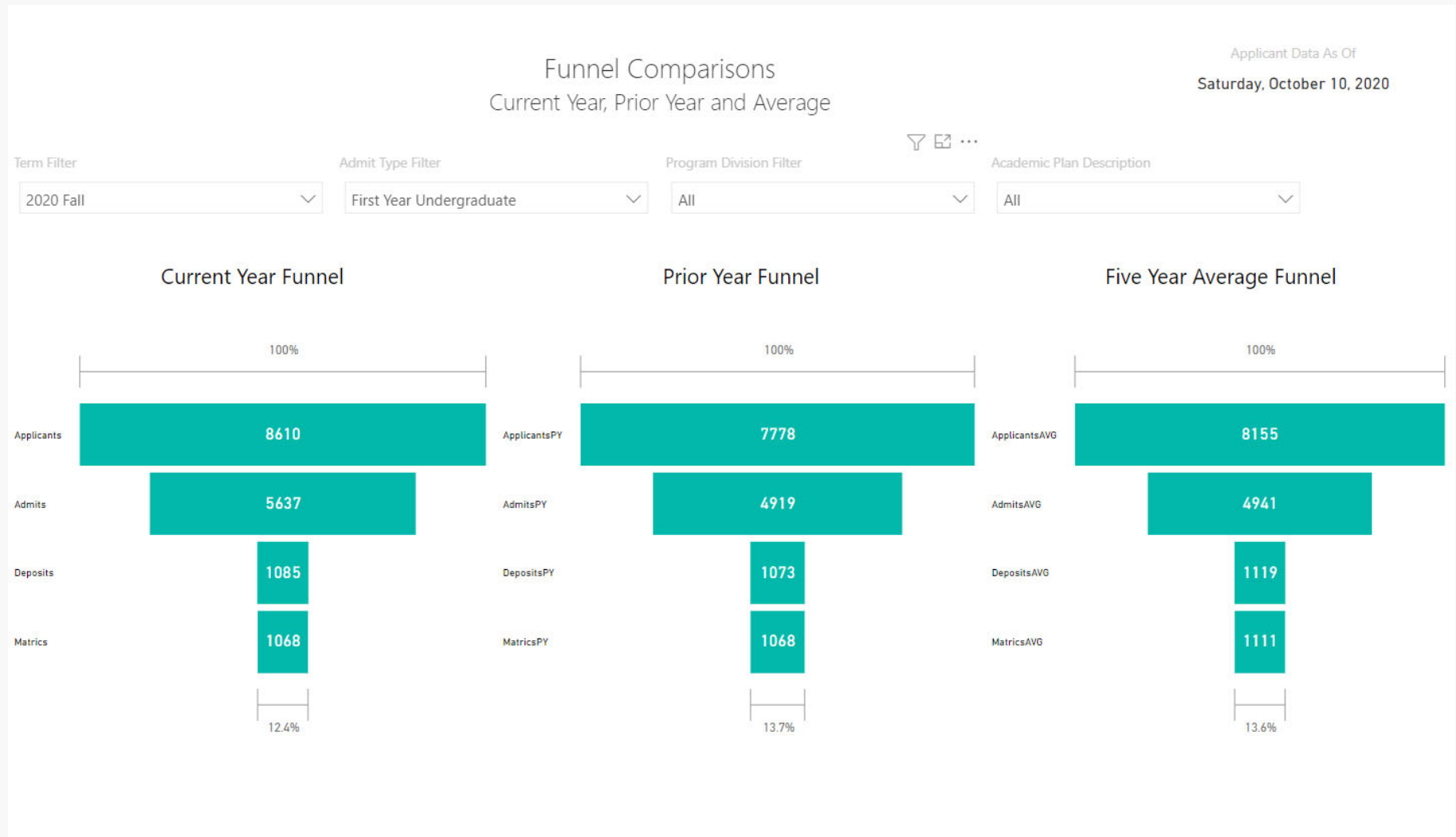
- Systems of Record/Transactional Systems are not useful for reporting & analysis
 - Peoplesoft Student
 - Peoplesoft Finance
 - HRCMS
 - Etc.
- “BI” – Microsoft Power BI software (similar to Tableau)
 - Tool for visualizing data generated by disparate systems
 - Tool for analytics
 - SSU uses BI about 3 years now
 - Net Contribution Analysis is just one of numerous reports & analyses in SSU’s BI system

Reports in SSU's BI System support:

- Admissions
- Retention
- Academic Scheduling
- Academic Progress
- Academic Efficiency
- Financial analysis

Some examples follow

Admissions Funnel (First Years)



Degree Completers (Undergrad Day)

Student Degrees

Last Updated

Wednesday, September 23, 2020

Completion year is based on the completion term with Summer, Fall, Spring making up a year.
 Example: Completion Year 2018-19 includes Summer '18, Fall '18 and Spring of '19.

TermSeason

All

Career and Acad Group

AcadCareerDescription

- Graduate
- Undergraduate
 - Undergrad Continui...
 - Undergraduate Day

Degree Plan Type

AcadPlanTypeCategory

- Majors
 - Major
 - Second Major
- Minors

Degree Department/School

SchoolOrCollege

- SOAS
- SOBU
- SOED
- SOHS

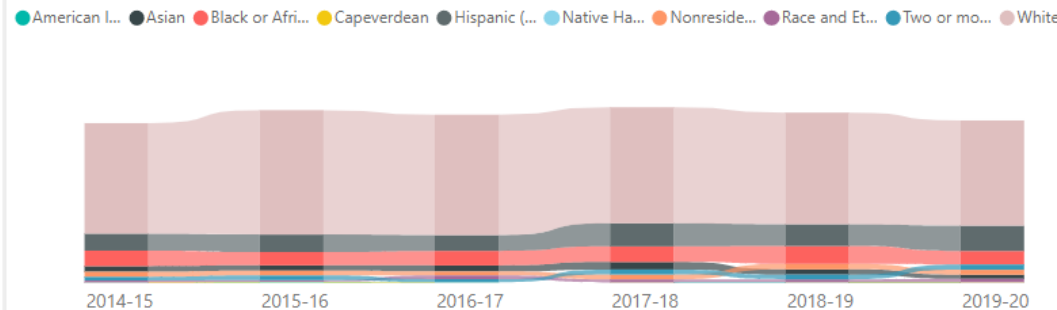
Student Degrees by Primary Major, Secondary Major, Minor and Concentration/Sub-Plan

StudentAcadOrgDescription	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
+ Accounting & Finance	85	91	96	113	114	95
+ Art + Design	39	50	36	31	42	30
+ Bertolon School of Business		3	2		3	2
+ Biology	81	103	114	116	118	100
+ Chemistry & Physics	12	26	31	17	20	21
+ Computer Science	6	15	23	18	34	30
+ Criminal Justice	109	125	102	97	102	102
+ Economics	13	7	9	3	9	11
+ Education	103	118	114	119	110	90
+ English	76	71	68	43	50	61
+ Geography and Sustainability	32	37	16	30	22	22
+ Geological Sciences	7	14	10	13	14	3
+ Healthcare Studies				8	27	33
Total	1378	1490	1451	1515	1469	1401

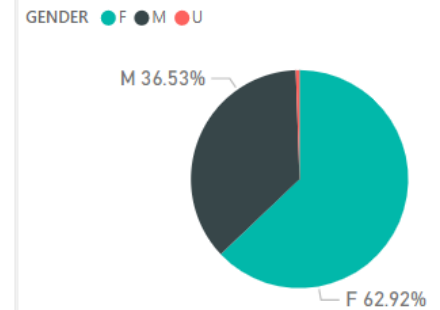
Summary Statistics

22.97	4.44
FYU Average Age	FYU Years to Complete
27.08	2.99
TRU Average Age	TRU Years to Complete
(Blank)	(Blank)
Grad Average Age	Grad Years to Complete
3.22	(Blank)
UGRD Average GPA	Grad Average GPA
67%	27%
CompletnAdmitMaj...	DiversityPercentage

Count of Students by Race/Ethnicity



Count of Students by Gender



Class Size Distribution

Class Size Distribution

Distribution of contact hours by class size.

Class sizes are banded in groups of 5. The bar labelled 0 is 0 thru 4, 5 is 5 thru 9, 10 is 10 thru 14, and so on.

Combined and crosslisted sections are excluded.

TermDescription

2020 Fall

School/College

- Bertolon School of Busi...
- College of Arts and Scie...
- College of Health & Hu...
- School of Education

AcadGroupDescription

Undergraduate Day

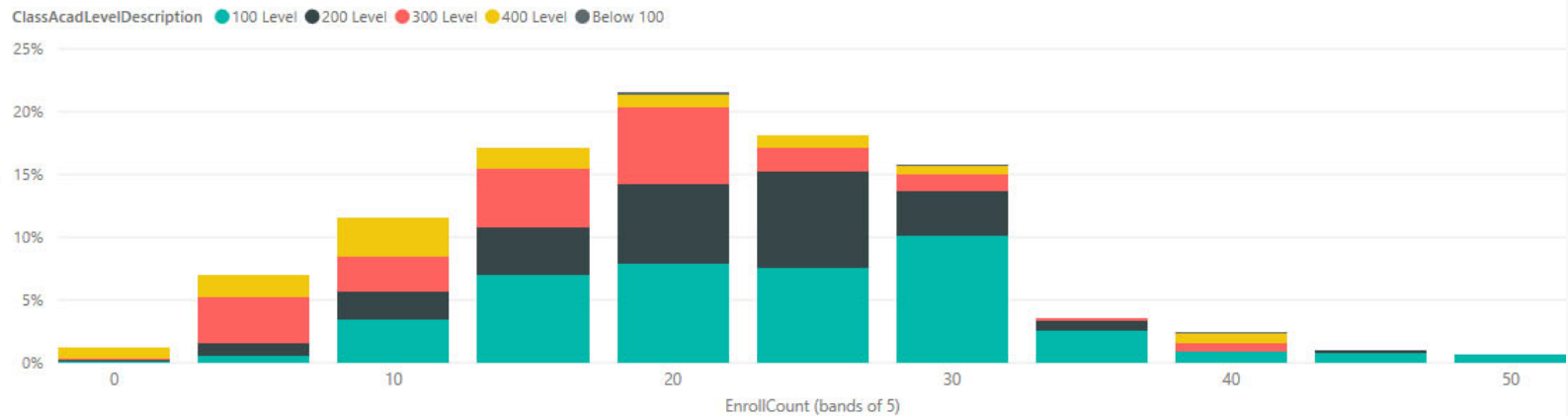
ComponentDescription

All

AcadOrgDescription

- Search
- Accounting & Finance
 - Art + Design
 - Biology
 - Chemistry & Physics
 - Childhood Education & ...
 - Computer Science
 - Criminal Justice
 - Economics

Student Contact Hours Distributed by Class Size (bands of 5)



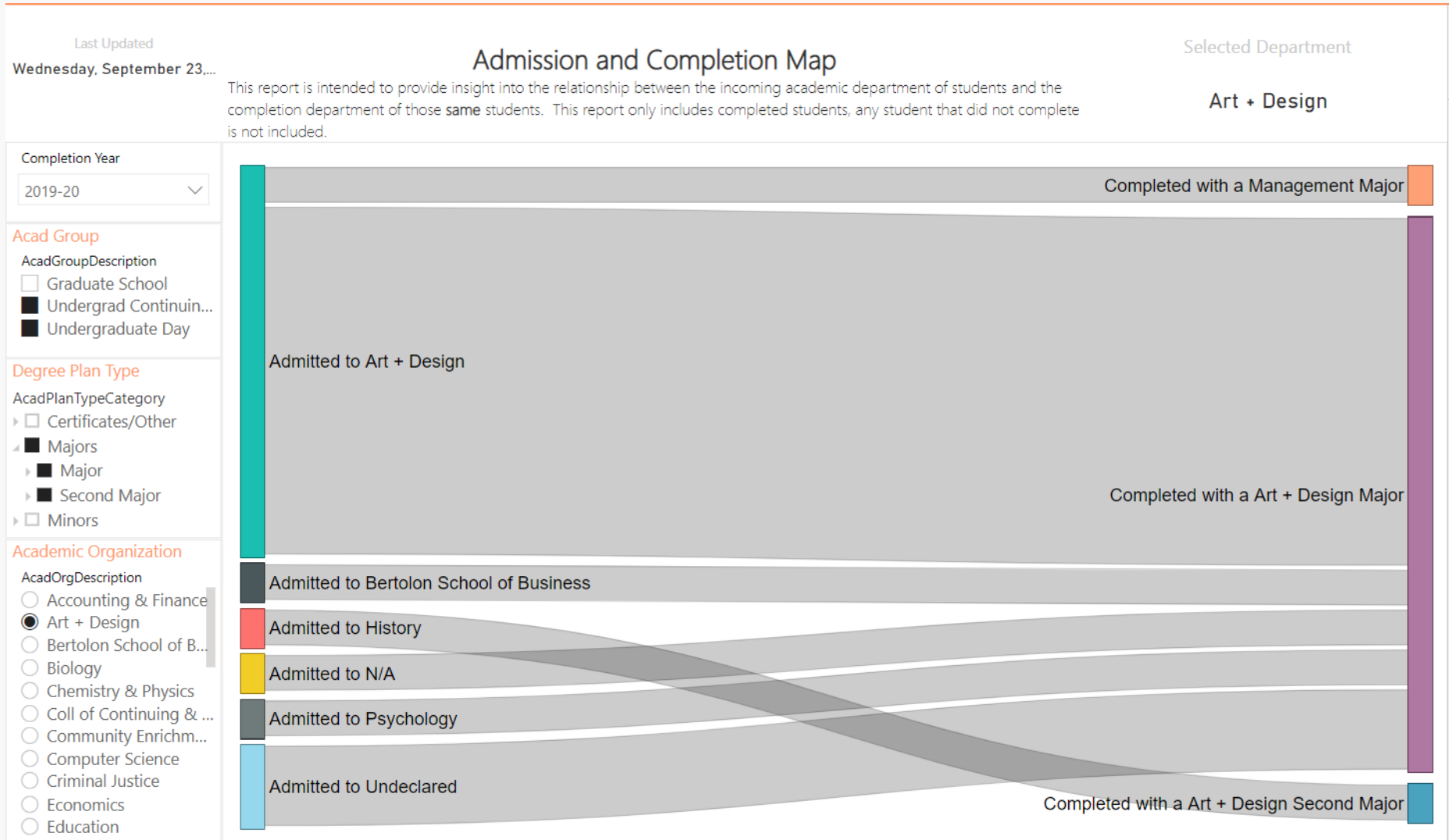
Academic Org and Course (drill for section level detail)

AcadOrgDescription	Average of Class Size	Average of MaxSectionCap	Student Contact Hours
Accounting & Finance	21.81	24.23	2,028
Art + Design	13.54	16.89	2,134
Biology	16.42	19.65	6,042
Chemistry & Physics	18.81	22.19	4,973
Childhood Education & Care	17.16	22.90	1,457
Computer Science	18.09	27.49	2,081
Criminal Justice	25.79	27.12	2,631
Economics	22.00	25.09	726
Education	21.00	22.00	126
English	17.21	19.82	1,617
Total	17.39	20.98	69,652

Student Contact Hours by Class Component Description



Admit to Complete Map (Art & Design)



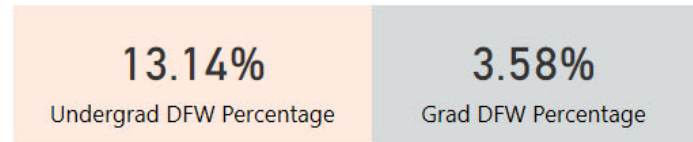
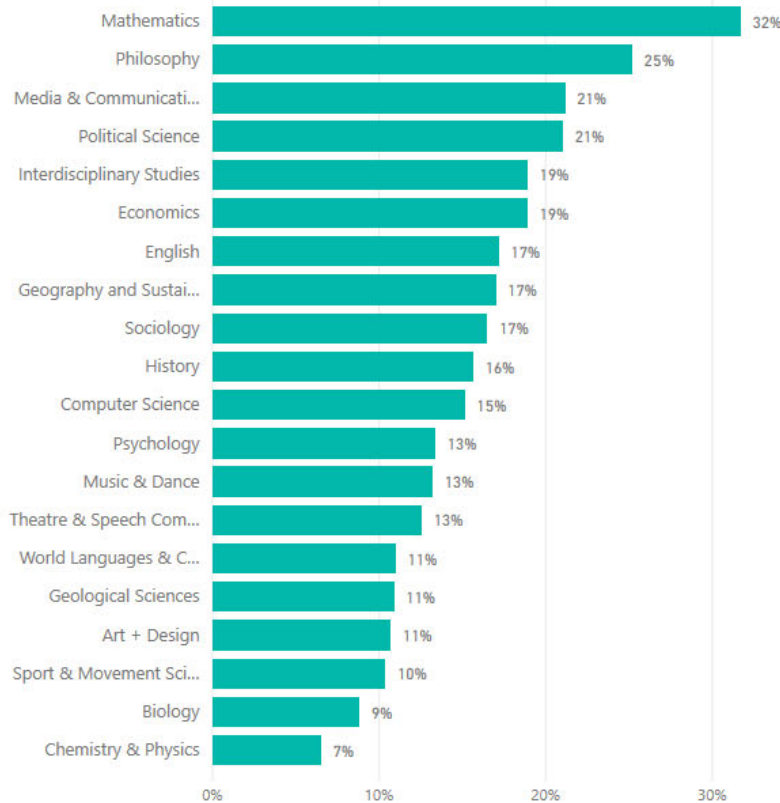
Course Level DFW Rates

Course Level DFW Rates

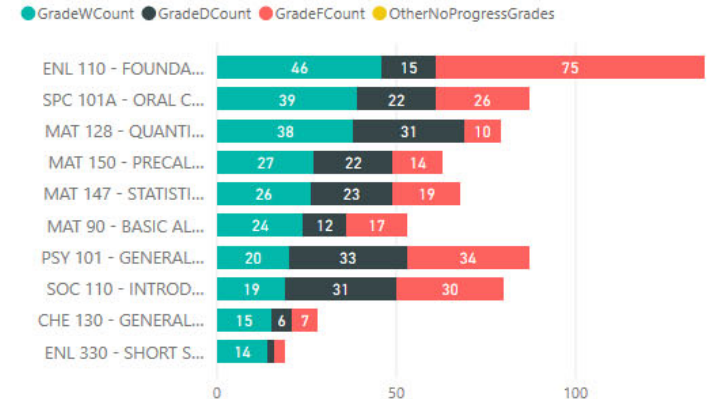
DFW count as a percent of enrolled students and total DFW counts
Class sections with less than three students enrolled are excluded

- TermDescription
- 2019 Fall
- 2021 Spring
 - 2020 Summer
 - 2020 Spring
 - 2020 Fall
 - 2019 Summer
 - 2019 Spring
 - 2019 Fall
 - 2018 Summer
 - 2018 Spring
 - 2018 Fall
 - 2017 Summer
 - Select all
 - Graduate School
 - Undergrad Continuing E...
 - Undergraduate Day
- AcadOrgDescription
- Search
- Art + Design
 - Biology
 - Chemistry & Physics
 - Computer Science
 - Economics
 - English
 - Geography and Sustain...
 - Geological Sciences
 - History
 - Interdisciplinary Studies

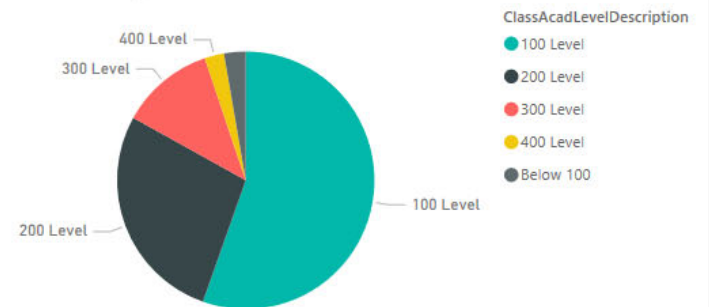
DFW as a Percentage of Enrollment



DFW Counts by Course



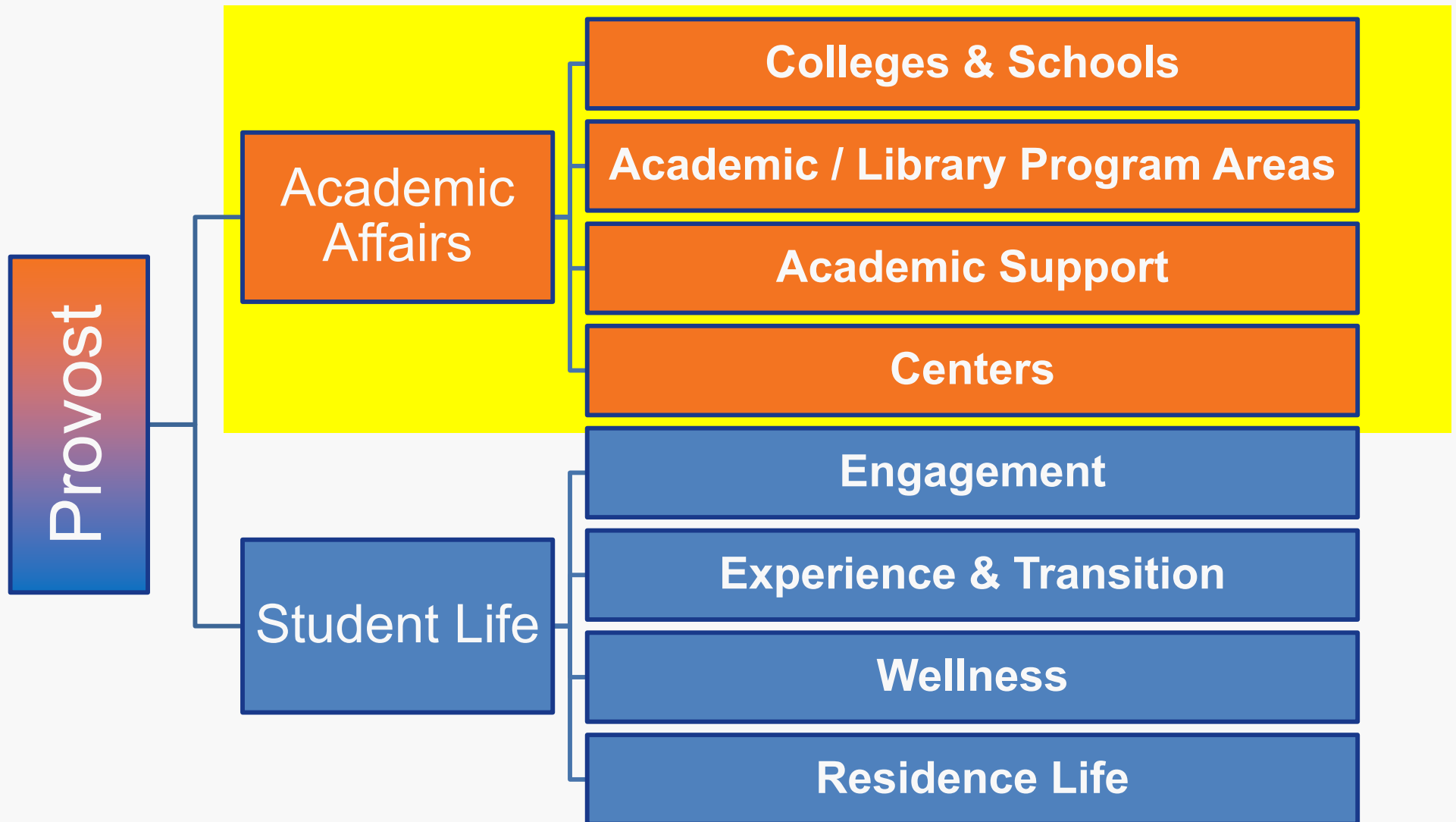
DFW Counts by Class Level



Provost Division

- Provost and Academic Vice President
 - Academic Affairs
 - Colleges and Schools
 - Academic and Library Program Areas
 - Academic Support Services
 - Academic Centers
 - Student Life
 - Student Engagement
 - Student Experience and Transition
 - Student Wellness
 - Residence Life

Provost Division

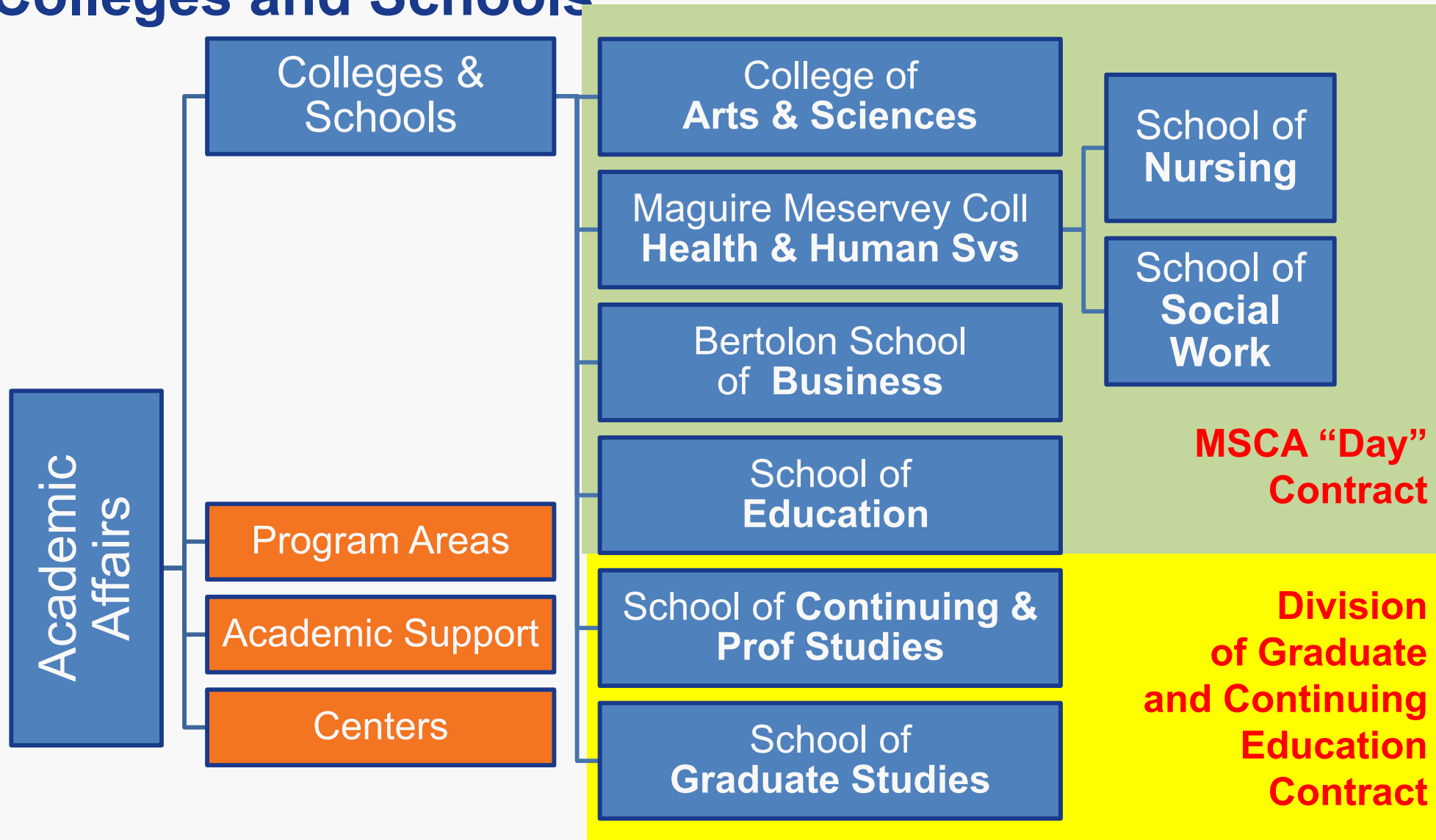


Academic Affairs Structures

- **Colleges and Schools**
 - 2 colleges, 4 schools: 4 stand-alone, 2 embedded (*next slide*)
- **Program Areas**
 - Library PA (1)
 - Academic PAs (3): Commonwealth Honors Program, Content Educators, Holocaust and Genocide Studies.
- **Academic Support Centers**
 - Center for Academic Excellence
 - Academic Advising, First Year Experience, Disability Services, ...
 - Center for International Education
 - American Language and Culture Institute
 - Mary G. Walsh Writing Center
- **Academic Centers**
 - Civic Engagement, Holocaust & Genocide Studies, Economic Development & Sustainability, Teaching Innovation...

Academic Affairs

Colleges and Schools



MSCA "Day" Contract

Division of Graduate and Continuing Education Contract

Unpacking Academic Terms - 1

- A discipline label (e.g. “psychology”) can denote:
 - Academic Department
 - **Psychology**
 - Courses within an Academic Department
 - **PSY 101**
 - Degree Programs within an Academic Department or Program Area
 - **BS in Psychology**
 - **BA in Psychology**
 - **MS in Psychology**

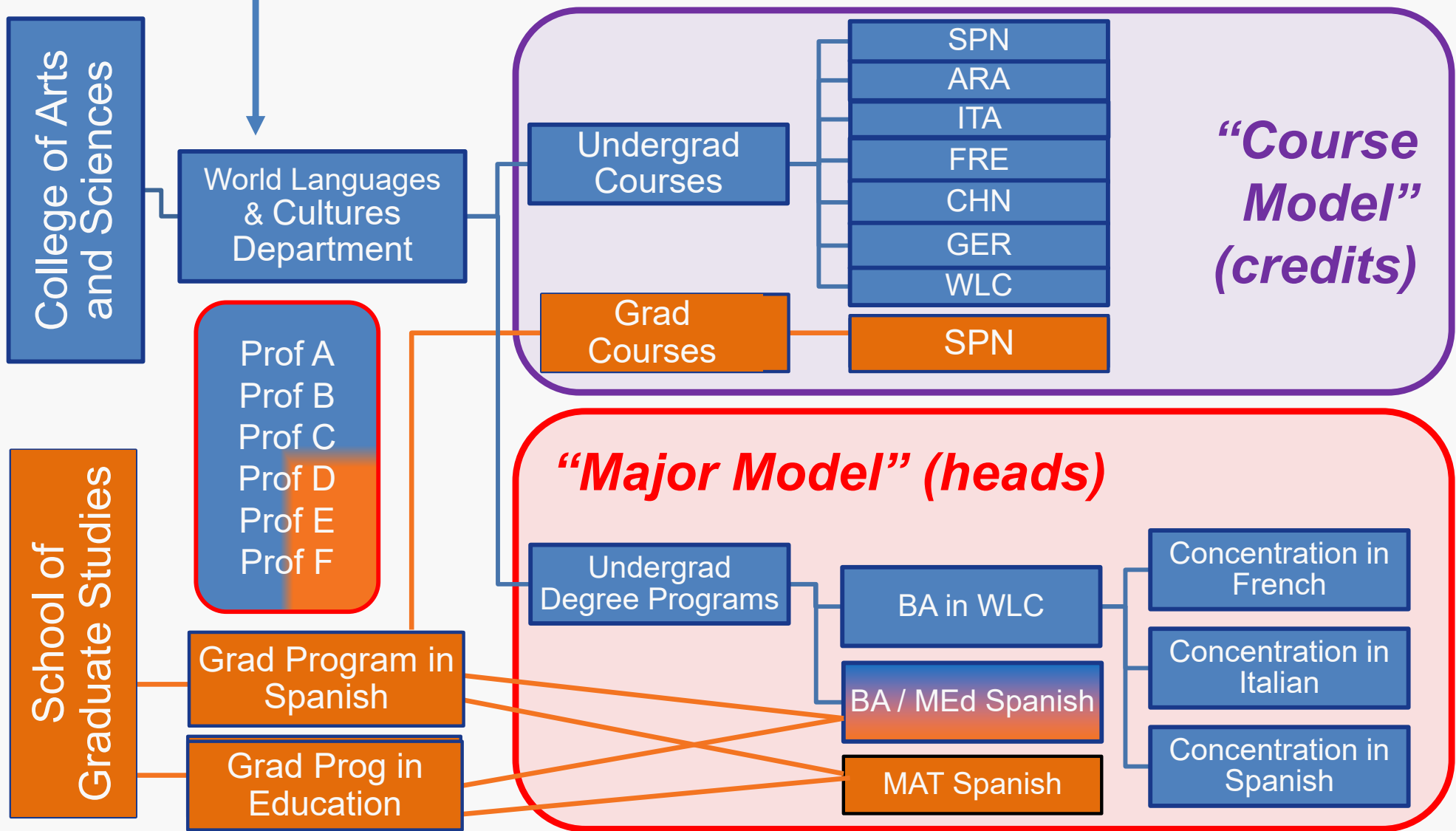
But not all such relationships are so straightforward...

Unpacking Academic Terms - 2

- A family of disciplinary labels at work:
 - Academic Department
 - **World Languages and Cultures (WLC)**
 - Courses in WLC
 - **ARA, CHI, FRE, GER, ITL, SPN, WLC**
 - Academic Degree Programs in WLC
 - **BA in World Languages & Cultures**
 - French Concentration
 - Italian Concentration
 - Spanish Concentration
 - **BA / MEd in Spanish**
 - **MAT in Spanish**

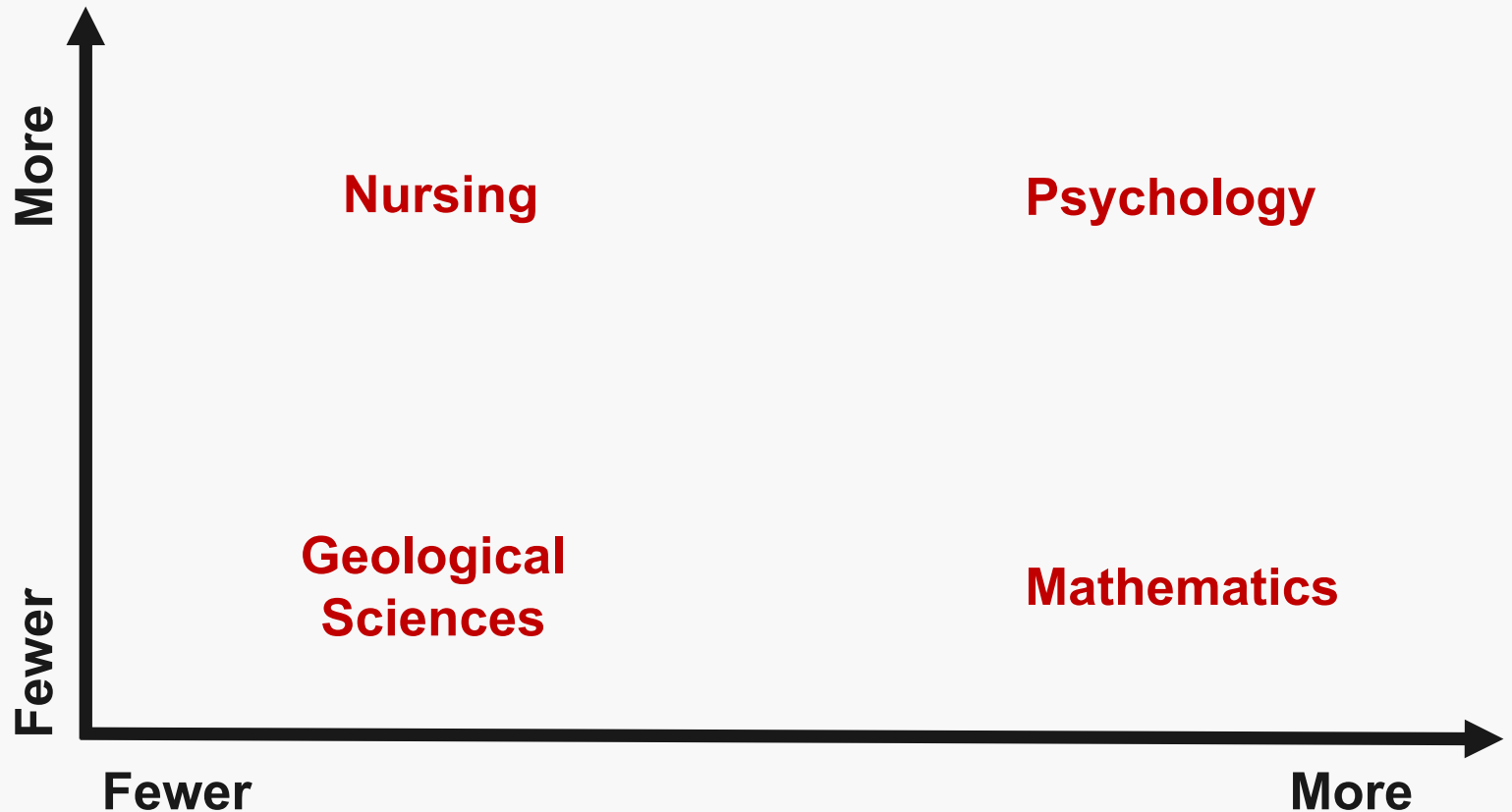
Expenses are captured by department

Academic Structure for "Spanish"



Differences in How Departments Serve Course Needs (in relative terms)

In dept X,
how many
credits are
generated
by majors
in X?



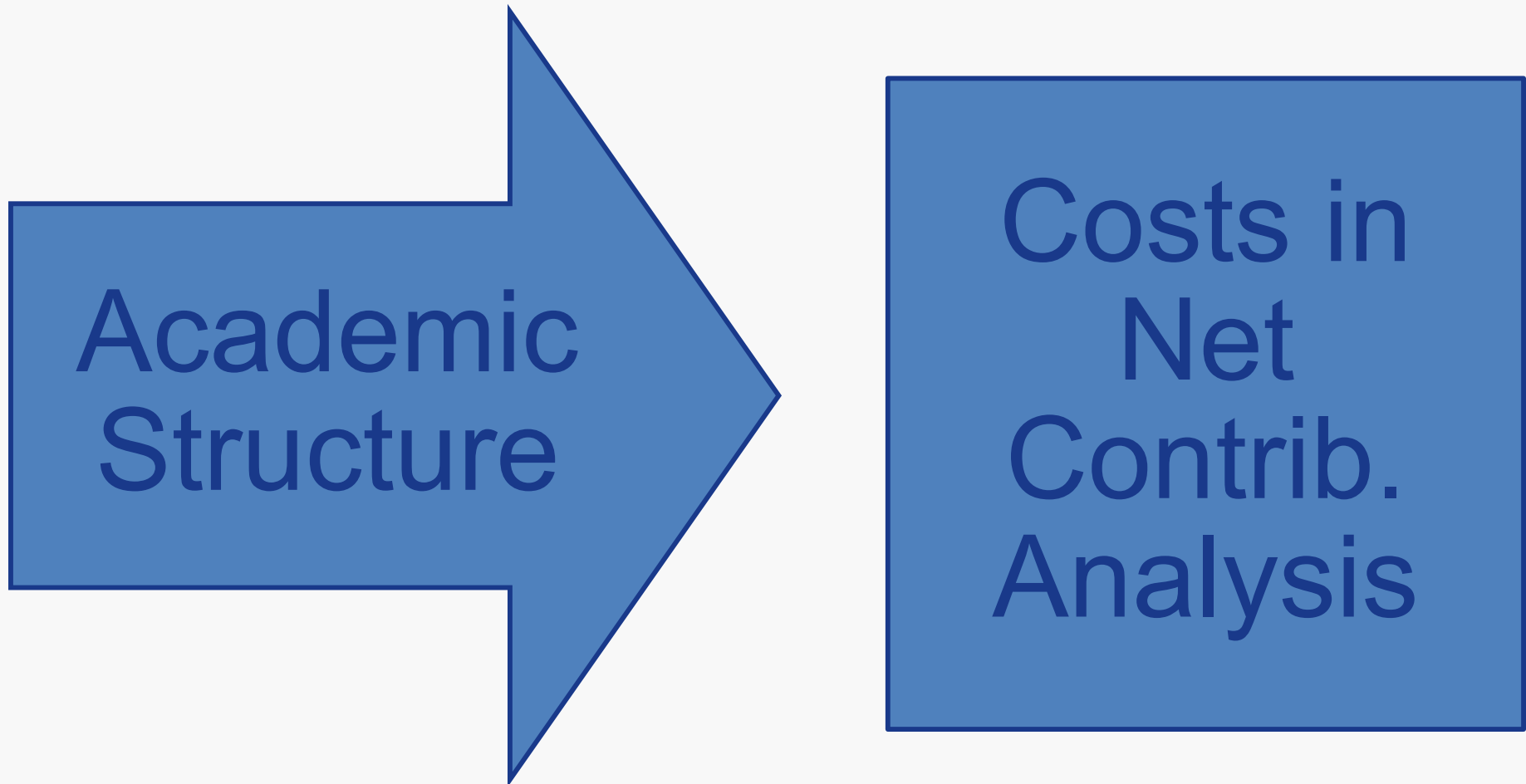
In department X, how many credits are generated by student whose majors are outside department X?
(e.g. required background course, general education)

"other" depts 3 0 2 2 2 8 0 X 1 2 2 0 2


Req Credits → Major ↓	BIO	BSB	CHE	ECO	ITC/E	MAT	NUR	PHS	POL	PSY	SOC	SWK	minor
Biol - BS	37		12			4		8					
Busi-BSBA*		54		6	3	3					3		
Chem-BS			48		3	6		8					
Econ-BS				39		7							
Info Tech-BS					48	9							
Math-BS						37							
Nurs-MSN	32		4			3	55			6			
Phys / NA													
PolSci-BS						3			45				18
Psych-BS	8					3				42			
Sociol-BS											36		18
Soc Wk-BSW	4			3					3	6	6	54	

* Management Concentration

Analysis



Campus Financial Reporting System reports expenses by department; uses hierarchy to summarize \$\$\$

 Salem STATE UNIVERSITY	
REF015 - Tree Hierarchies	
Department / L2_Academic Affairs/Student Life	
Run on: 11/15/2020 11:10:04 AM / Data as of: 11/15/2020 10:00 AM	
Department Tree Hierarchy	
L1_	All Departments
L2_	Academic Affairs/Student Life
L3_	Bertolon School of Business
L3_	College of Arts & Sciences
L3_	College of Health & Human Svcs
L3_	Inst Effectiveness & Planning
L3_	Library & Academic Support
L3_	Office of the Provost
L3_	School of Cont & Prof Studies
L3_	School of Education
L3_	School of Graduate Studies
L3_	Student Life

L5_College of Health & Human Svcs


Dept 200 - Occupational Therapy

Dept 236 - Criminal Justice

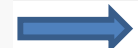
Dept 242 - College Of Health & Human Svcs

Dept 243 - School Of Social Work

Dept 245 - Social Work


 Dept 297 - Nurse's Recognition Ceremony

Dept 366 - Criminal Justice Institute

 Dept 424 - Nursing BSN


Dept 431 - Ctr for Applied Resrch and Dev

Dept 432 - Global Study Abroad

 Dept 433 - Nursing LPN-BSN

Dept 442 - Human Services Training

Dept 543 - Child Welfare Institute

 Dept 578 - Nursing Resource Center

Dept 634 - Nursing Assoc Dean's Office

Dept 672 - Phi Alpha/SWK

Dept 690 - Pi Theta Epsilon (PTE) OT

Dept 715 - Alpha Phi Sigma/CJ Honor Soc

Dept 723 - Healthcare Studies

L3_College of Arts & Sciences

L4_CAS Centers

L4_CAS Dean's Office

L4_CAS Academic Depts


L5_Sociology

L5_World Lanaguages & Culture

L5_Theatre & Speech Communication

L5_Sport & Movement Science

L5_Psychology

 Dept 234 - Psychology

Dept 352 - Psi-Chi

Dept 633 - Psychology Colloquium

L5_Political Science

L5_Philosophy

L5_Music & Dance

L5_Mathematics

L5_Interdisciplinary Studies

L5_Geological Sciences

L5_History

L5_Geography

L5_English

L5_Economics

L5_Computer Science

L5_Biology

L5_Art & Design

L5_Chemistry & Physics

L5_Communications

Net Contribution Analysis

- Net Contribution: Program revenue minus direct program expense
 - Revenue: Tuition and fees charged to students
 - Expense: Salary and other compensation paid to faculty and staff that directly support a program

This is not a full-cost model

Of the total university financial activity, how much is included/excluded from Net Contribution Analysis?

FY20 Actual	\$ Millions in Model	\$ Millions Not in Model	Total
Revenue	\$ 82.0	\$ 94.7	\$ 176.7
Expense	\$ 66.7	\$ 100.5	\$ 167.1
Net	\$ 15.3	\$ (5.8)	\$ 9.5

FY20 Managed Expenses for University \$167.1M; Academic Affairs & Student Life is \$104.3M

Account Description	FY 2020 YTD-Jun Actuals (\$K)	FY 2020 YTD-Jun Actuals (%)
Managed Expenses:		
Compensation	119,890	72%
Support	22,867	14%
Facility-related	24,376	15%
Total Managed Expenses	167,134	100%

FY20 Managed Expenses for Academic Affairs \$104.3M or 62% of university; 71% of the university's compensation expenses

Academic Affairs & Student Life Division	FY 2020 Year-End Actuals (\$)	FY 2020 Year-End Actual (%) of this division	FY 2020 Year-End Actual (%) of the university by category
Managed Expenses:			
Compensation	85,556,169	82%	71%
Support	5,747,932	6%	25%
Facility-related	13,012,570	12%	53%
Total Managed Expenses	104,316,671	100%	62%

What Expenses Are Included in Net Contribution Analysis?

- Academic Departments *that deliver instruction only*
- Direct Expenses only
- Compensation only (\$66.7M)
 - Faculty salary
 - Adjunct salary
 - Lab attendants that are paid from a department directly associated with a program
 - Program staff paid from a department directly associated with a program
 - Fringe benefits

Compensation Included in Net Contribution Analysis: \$66.7M for FY20

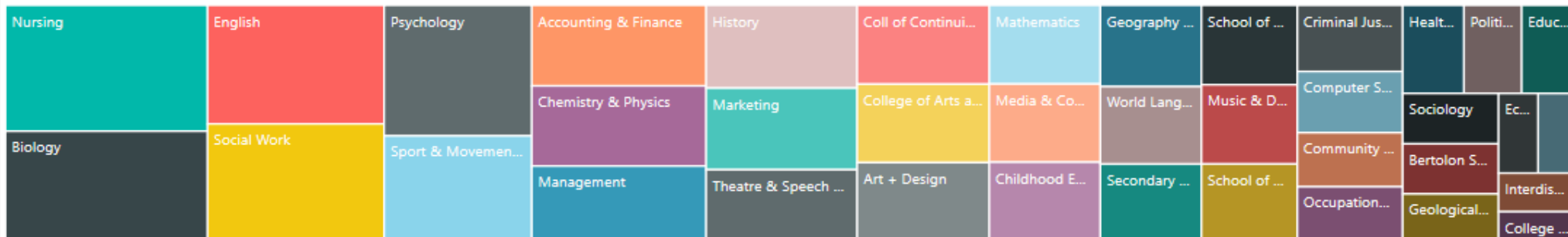
SALARY INCLUDED IN MODEL

Detailed map of Academic Organizations to Financial Departments

Last Update Date/Time

11/17/2020 8:08:16 AM

FY2020Salary by AcadOrgDescription



AcadOrgDescription	AcadGroupDescription	Dept_L4	Dept_L5	DeptDesc	FY2017Salary	FY2018Salary	FY2019Salary	FY2020Salary
Accounting & Finance	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 103 - Accounting & Finance-CE	132,336.25	99,193.96	157,078.67	117,803.88
Accounting & Finance	Undergraduate Day	L4_BSB Academic Depts	L5_Accounting and Finance	Dept 104 - Accounting & Finance	2,219,725.43	2,216,889.69	2,320,383.78	2,421,912.28
Art + Design	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 115 - Art Department-CE	72,362.07	45,119.39	48,696.75	64,695.67
Art + Design	Undergraduate Day	L4_CAS Academic Depts	L5_Art & Design	Dept 116 - Art Department	1,906,813.51	1,791,825.58	1,889,200.90	1,785,704.17
Bertolon School of Business	Undergraduate Day	L4_BSB Dean's Office	L5_BSB Dean's Office	Dept 240 - School Of Business,Dean's Off	519,989.25	526,290.44	814,001.59	867,417.07
Biology	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 120 - Biology-CE	187,662.33	237,380.57	251,194.51	215,479.23
Biology	Undergraduate Day	L4_CAS Academic Depts	L5_Biology	Dept 121 - Biology	3,228,245.29	3,396,055.34	3,498,024.68	3,738,672.03
Biology	Undergraduate Day	L4_CAS Academic Depts	L5_Biology	Dept 667 - Nuclear Medicine Technology	21,798.79	22,467.01	22,197.21	25,663.22
Chemistry & Physics	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 134 - Chemistry/Physics-CE	250,868.11	267,605.05	238,916.83	236,533.93
Chemistry & Physics	Undergraduate Day	L4_CAS Academic Depts	L5_Chemistry & Physics	Dept 135 - Chemistry/Physics	2,062,798.20	2,095,767.28	2,202,596.00	2,289,265.09
Childhood Education & Care	Undergraduate Day	L4_School of Education	L5_School of Education	Dept 443 - Childhood Education and Care	1,415,261.59	1,438,627.74	1,438,693.57	1,565,867.36
Coll of Continuing & Prof Stud	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 144 - Continuing Ed. Administration	608,390.26	577,871.51	586,254.88	462,334.34
Coll of Continuing & Prof Stud	Undergraduate Day	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 145 - SCPS Summer Institute-UG	6,825.39	533.81	672.60	0.00
Coll of Continuing & Prof Stud	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 577 - DGCE-online program	941,015.05	1,209,909.75	1,141,725.39	1,421,334.06
College of Arts and Sciences	Graduate School	L4_School of Graduate Studies	L5_School of Graduate Studies	Dept 545 - Arts & Sciences - Grad	651,411.20	642,188.20	642,544.64	517,427.40
College of Arts and Sciences	Undergraduate Day	L4_CAS Dean's Office	L5_CAS Dean's Office	Dept 239 - College Of Arts&Sci,Dean's Off	1,541,734.02	1,440,702.45	1,346,633.65	1,355,083.77
College of Health & Human Svcs	Undergraduate Day	L4_College of Health & Human Svcs	L5_College of Health & Human Svcs	Dept 242 - College Of Health & Human Svcs	528,877.61	239,025.63	371,026.68	399,570.89
Community Enrichment	Community Enrichment	L4_Office of the Provost	L5_Office of the Provost Admin	Dept 310 - Center Of International Ed.	283,495.88	282,038.36	513,941.13	532,458.39
Community Enrichment	Community Enrichment	L4_Office of the Provost	L5_Office of the Provost Admin	Dept 701 - ESL program	289,387.49	304,605.36	342,611.96	332,241.34
Community Enrichment	Community Enrichment	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 316 - Non-Credit Courses	147,933.11	150,273.83	156,144.40	165,223.62
Computer Science	Undergrad Continuing Education	L4_School of Cont & Prof Studies	L5_School of Cont & Prof Studies	Dept 139 - Computer Science Dept-CE	20,442.32	22,888.57	27,478.49	9,414.46
Total					65,158,288.43	65,014,472.26	66,208,805.06	66,680,540.05

Expense Adjustments

- Adjustments required for Grad in load
 - Undergrad full time faculty teaching graduate classes
- Undergrad full time faculty teaching outside of their home departments
- Grad and Continuing Ed faculty teaching online courses
 - This salary is booked to dept 577 regardless of the department of the class
- These adjustment are included in the analysis
- All adjustment are a percentage of workload applied to the salary/comp amounts from finance system

Net Contribution Data Challenges, Bertolon School of Business

- One Major many concentrations
- Students are not required to declare a concentration at time of admit
- Analysis at levels below the entire school are difficult

Net Contribution Data Challenges, School of Education

- Complex academic structure
 - Majors, Concentrations, 4+1 programs
- Students are not required to declare a concentration at time of admit
- Ongoing transition from a single department to a school with multiple departments
 - Longitudinal analysis is clouded by changes in organization
- Analysis at levels below the entire school are difficult

What Expenses Are Excluded?

- All remaining compensation expenses: \$47.4M including:
 - Centralized expenses at the dean level
 - Expenses from other departments not delivering courses, such as:
 - Library
 - Registrar
 - Expenses from non-academic division departments, such as:
 - Information Technology
 - Facilities
 - Human Resources
 - Finance Office
 - Etc.
- Other, non-salary expenses (Support & Facilities), such as
 - Travel
 - Office expenses
 - Software licensing

Compensation Excluded from Model: \$47.4M for FY20

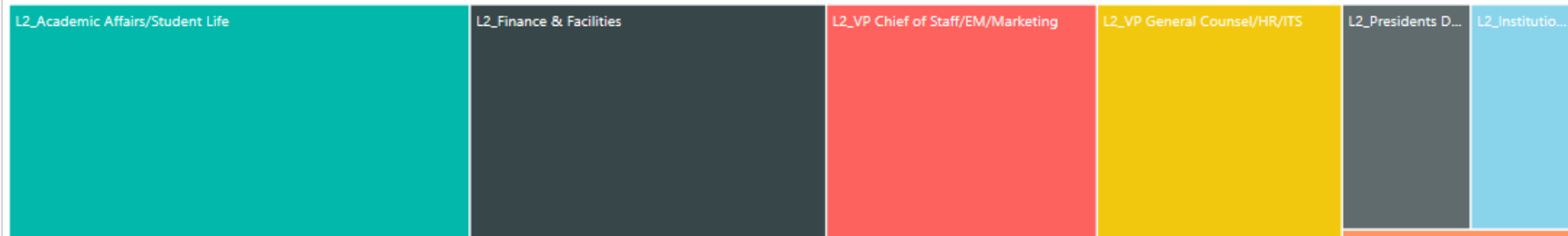
SALARY EXCLUDED FROM MODEL

Last Update Date/Time

Detailed map of Excluded Salary by Department and the Associated Location in the Finance Department Tree

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FY2020Salary by Dept_L2



Dept_L2	Dept_L4	Dept_L5	Dept_L3	DeptDesc	FY2017Salary	FY2018Salary	FY2019Salary	FY2020Salary
L2_VP Chief of Staff/EM/Marketing	L4_Admissions	L5_Admissions	L3_Enrollment Management	Dept 107 - Admissions Office	0.00	0.00	2,029.52	153.66
L2_VP Chief of Staff/EM/Marketing	L4_Admissions	L5_Admissions	L3_Enrollment Management	Dept 604 - Admissions-Operations	616,157.56	685,469.88	696,216.30	748,980.24
L2_VP Chief of Staff/EM/Marketing	L4_Admissions	L5_Admissions	L3_Enrollment Management	Dept 605 - Admissions-UGrad	874,168.14	765,381.69	798,598.67	806,009.40
L2_VP Chief of Staff/EM/Marketing	L4_Admissions	L5_Admissions	L3_Enrollment Management	Dept 606 - Admissions-Graduate	519,627.42	319,135.48	304,943.26	258,583.75
L2_Institutional Advancement	L4_Advance Communications	L5_Advance Communications	L3_IA Fundraising	Dept 681 - Advanc Communications	227,665.98	252,523.56	215,848.24	66,772.70
L2_Institutional Advancement	L4_Advancement Services	L5_Advancement Services	L3_IA Technology	Dept 680 - Advancement Services	187,554.22	664,730.29	666,800.55	630,606.32
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Operations	L3_Student Life	Dept 117 - Athletics/Operations	1,268,835.28	1,087,529.46	1,047,739.84	901,328.22
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Operations	L3_Student Life	Dept 252 - Sports Information Services	0.00	0.00	1,396.25	10,999.71
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Operations	L3_Student Life	Dept 268 - Training Services	569.43	7,078.43	3,662.28	76,931.76
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Operations	L3_Student Life	Dept 620 - Athletics Marketing	0.00	0.00	305.19	0.00
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 283 - Men's Baseball	0.00	0.00	15,616.69	14,824.86
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 284 - Men's Basketball	0.00	712.44	5,899.33	4,323.58
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 285 - Men's Golf	0.00	0.00	10,460.39	9,984.73
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 286 - Men's Ice Hockey	1,885.79	334.65	4,583.73	4,646.95
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 287 - Men's Lacrosse	1,000.00	4,874.75	10,460.46	14,880.86
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 288 - Men's Soccer	0.00	0.00	4,645.18	5,530.02
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 289 - Men's Tennis	0.00	0.00	10,460.45	9,984.92
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 290 - Women's Lacrosse	0.00	2,409.51	0.00	4,839.91
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 320 - Women's Basketball	0.00	0.00	15,693.71	7,759.08
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 321 - Women's Field Hockey	0.00	0.00	4,834.20	4,867.50
L2_Academic Affairs/Student Life	L4_Athletics	L5_Athletics Teams	L3_Student Life	Dept 322 - Women's Soccer	0.00	0.00	4,916.72	6,280.16
Total					46,410,620.03	46,508,401.22	46,777,436.27	47,400,851.45

Why isn't overhead included? (this is not a full cost model)

- Analysis: controllable expenses at department level
- Overhead distorts the analysis:
 - If dept. X didn't exist, overhead would spread among remaining departments; not necessarily shrink proportionally
 - Overhead would need to be analyzed on a different metric than student tuition/fees, for example:
 - HR: # of employees
 - Financial aid: # of applications for aid
 - Custodial services: Sq. footage of buildings & grounds maintained
- We don't include revenue other than tuition/fees in the academic net contribution analysis

University revenue FY20: \$176.7M includes Tuition & Fees: \$84.4M

Management View	FY 2020 Year-End Actuals (\$)
Managed Revenues:	
Net Tuition and Fees	55,450,321
Tuition and Fees	84,392,502
Scholarship Allowance	(18,637,194)
Scholarships and Fellowships	(10,304,987)
Federal, State, Private Grants	24,341,986
Auxiliary Enterprises	24,082,551
State General Appropriations	66,736,681
Other Revenue	6,064,942
Total Managed Revenues	176,676,481

Revenue in Net Contribution Analysis

- Included: \$82.0M in student generated instructional delivery revenues
 - Tuition
 - Fees (university-wide and program/differential fees)
 - Course fees
- Excluded: Revenue not directly associated with academic programs, such as
 - State appropriation
 - Room & board fees (auxiliary)
 - Admissions applications fees
 - Investment income
 - Gifts & Grants

Revenue Included in Net Contribution Model \$82.0M

Revenue and Expense Model			
School/Program/Department	MajorRevenueTotal	ExpenseSalaryComp	MajorRevenueMinusSalary
SOHS			
Instructional			
Criminal Justice	5,209,644	1,392,593	3,817,051
Healthcare Studies	1,895,100	998,414	896,687
Nursing	7,304,310	4,645,806	2,658,504
Occupational Therapy	1,157,178	1,053,264	103,914
Social Work	6,143,835	3,745,304	2,398,531
Total	21,710,067	11,835,381	9,874,687
Administrative			
College of Health & Human Svcs		399,571	-399,571
Total		399,571	-399,571
Total	21,710,067	12,234,951	9,475,116
UNDECLARED			
Instructional			
Undeclared	2,118,961	0	2,118,961
Total	2,118,961	0	2,118,961
Total	2,118,961	0	2,118,961
Total	82,015,083	66,680,540	15,334,543

2 Revenue Models in Net Contribution Analysis

- Major Model
 - Revenue is assigned to an academic department based on the proportion of students in the major (headcount) as % of overall tuition/fee revenues
- Class Delivery Model
 - Revenue is assigned to an academic department based on the # of credit hours delivered x the average tuition/fee per credit

Net Contribution

Nursing and Psychology, Major Model

Program Net Contribution by Major Revenue and Departmental Expenses

This report is to be used to validate that major revenues and program/department expenses are accurately represented

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School or College

- SOAS
- SOHS

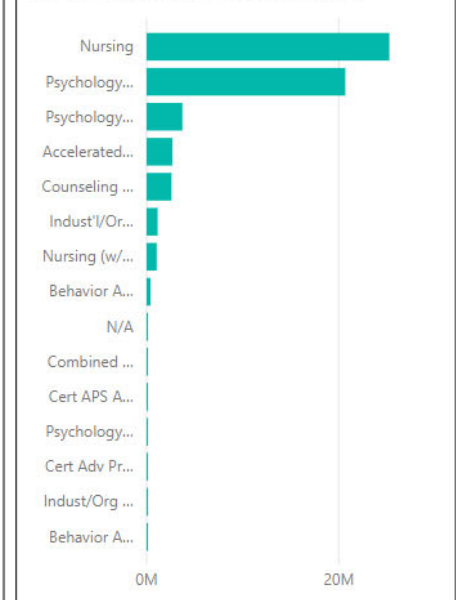
Academic Group/Division

- Graduate School
- Undergrad Continuing Education
- Undergraduate Day

Revenue and Expense Model

School/Program/Department	MajorRevenueTotal	ExpenseSalaryComp	MajorRevenueMinusSalary
SOAS			
Instructional			
Psychology	7,448,181	3,583,416	3,864,765
Total	7,448,181	3,583,416	3,864,765
SOHS			
Instructional			
Nursing	7,304,310	4,645,806	2,658,504
Total	7,304,310	4,645,806	2,658,504
Total	14,752,491	8,229,222	6,523,270

Revenue By Major (includes second majors)



School/College Summary

14,752,491
MajorRevenueTotal

8,229,222
Salary and Comp

6,523,270
MajorRevenueMinusSalary

Salary and Other Compensation Detail by Finance Department

AcadOrgDescription	AcadGroupDescription	Dept_L3	DeptDesc	FY2017Salary	FY2018Salary	FY2019Salary	FY2020Salary
Nursing	Undergrad Continuing Education	L3_School of Cont & Prof Studies	Dept 217 - Nursing/Bsn	239,743.19	249,332.77	251,933.86	220,763.73
Nursing	Graduate School	L3_School of Graduate Studies	Dept 218 - SGS Graduate-Nursing	51,845.57	55,050.76	34,936.02	23,642.73
Nursing	Undergraduate Day	L3_College of Health & Human Svcs	Dept 424 - Nursing BSN	5,263,185.09	5,058,656.57	4,415,707.72	4,270,338.69
Nursing	Undergraduate Day	L3_College of Health & Human Svcs	Dept 578 - Nursing Resource Center	84,586.12	96,667.17	121,373.28	84,850.33
Nursing	Undergraduate Day	L3_College of Health & Human Svcs	Dept 634 - Nursing Assoc Dean's Office	0.00	2,068.76	213.64	256.07
Psychology	Undergrad Continuing Education	L3_School of Cont & Prof Studies	Dept 233 - Psychology-CE	94,792.91	107,348.58	92,924.18	71,201.48
Psychology	Undergraduate Day	L3_College of Arts & Sciences	Dept 234 - Psychology	2,964,274.44	3,015,339.27	3,168,104.60	3,413,472.11
Total				8,698,427.32	8,584,463.88	8,085,193.30	8,084,525.14

Net Contribution

Nursing and Psychology, Class Model

Program Net Contribution by Class Revenue and Departmental Expenses
 This report is to be used to validate that class revenues and program/department expenses are accurately represented

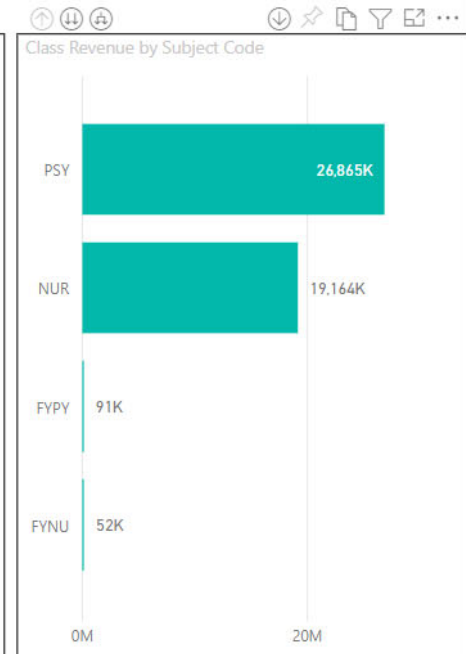
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School or College
 SOAS
 SOHS

Academic Group/Division
 Graduate School
 Undergrad Continuing Education
 Undergraduate Day

School/Program/Department	ClassRevenueTotal	ExpenseSalaryComp	RevenueMinusSalary
SOAS			
Instructional			
Psychology	6,715,571	3,583,416	3,132,155
Total	6,715,571	3,583,416	3,132,155
SOHS			
Instructional			
Nursing	4,674,527	4,645,806	28,721
Total	4,674,527	4,645,806	28,721
Total	11,390,098	8,229,222	3,160,876

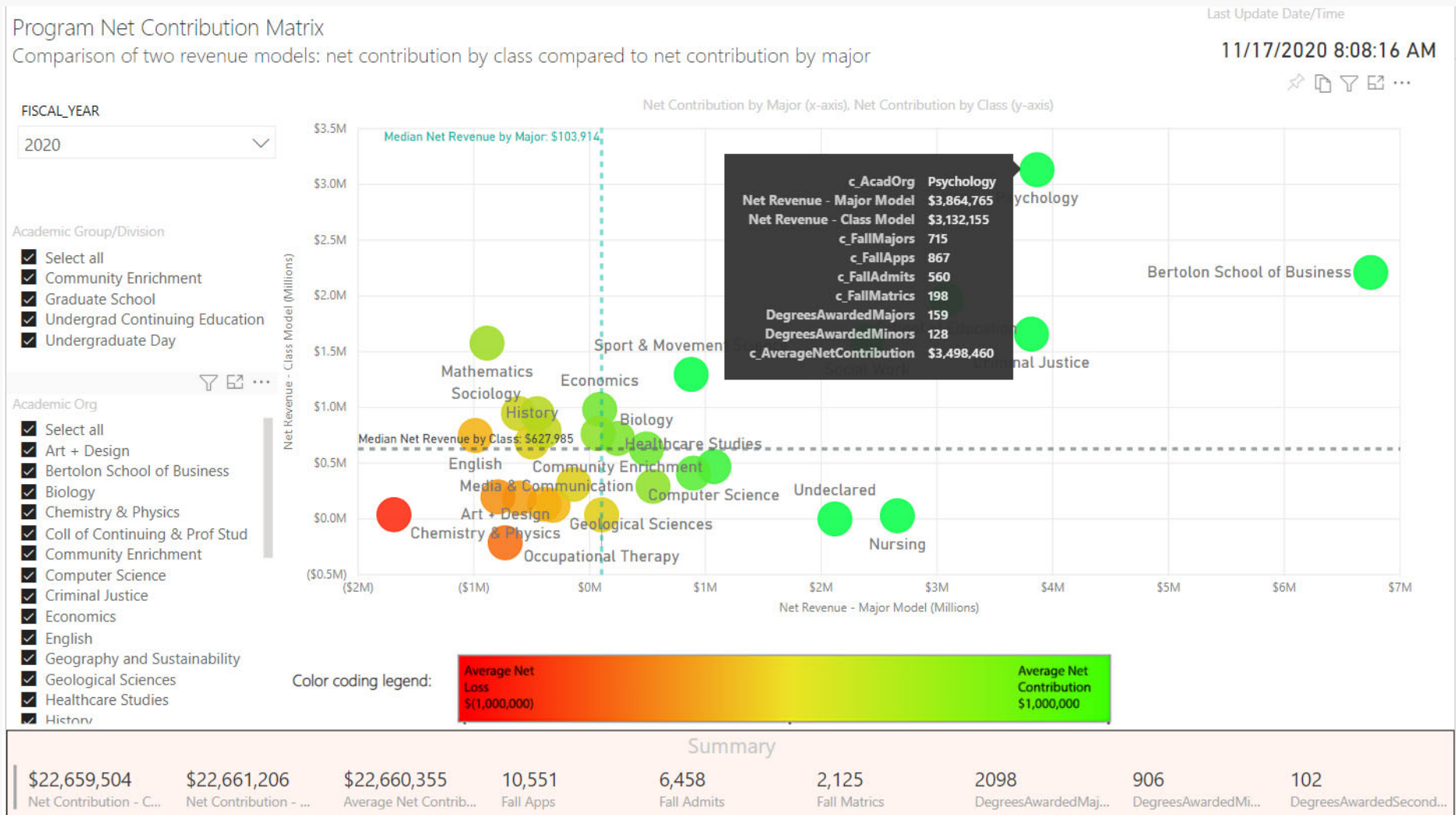


School/College Summary
11,390,098 Class Revenue
8,229,222 Salary and Comp
3,160,876 Class Revenue Minus Salary Comp

AcadOrgDescription	AcadGroupDescription	Dept_L3	DeptDesc	FY2017Salary	FY2018Salary	FY2019Salary	FY2020Salary
Nursing	Undergrad Continuing Education	L3_School of Cont & Prof Studies	Dept 217 - Nursing/Bsn	239,743.19	249,332.77	251,933.86	220,763.73
Nursing	Graduate School	L3_School of Graduate Studies	Dept 218 - SGS Graduate-Nursing	51,845.57	55,050.76	34,936.02	23,642.73
Nursing	Undergraduate Day	L3_College of Health & Human Svcs	Dept 424 - Nursing BSN	5,263,185.09	5,058,656.57	4,415,707.72	4,270,338.69
Nursing	Undergraduate Day	L3_College of Health & Human Svcs	Dept 578 - Nursing Resource Center	84,586.12	96,667.17	121,373.28	84,850.33
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Psychology	Undergrad Continuing Education	L3_School of Cont & Prof Studies	Dept 233 - Psychology-CE	94,792.91	107,348.58	92,924.18	71,201.48
Psychology	Undergraduate Day	L3_College of Arts & Sciences	Dept 234 - Psychology	2,964,274.44	3,015,339.27	3,168,104.60	3,413,472.11
Total				8,698,427.32	8,584,463.88	8,085,193.30	8,084,525.14

Net Contribution Matrix – Psychology

Y Axis Class Model, X Axis Major Model



Net Contribution Matrix – Nursing

Y Axis Class Model, X Axis Major Model

Program Net Contribution Matrix

Last Update Date/Time

Comparison of two revenue models: net contribution by class compared to net contribution by major

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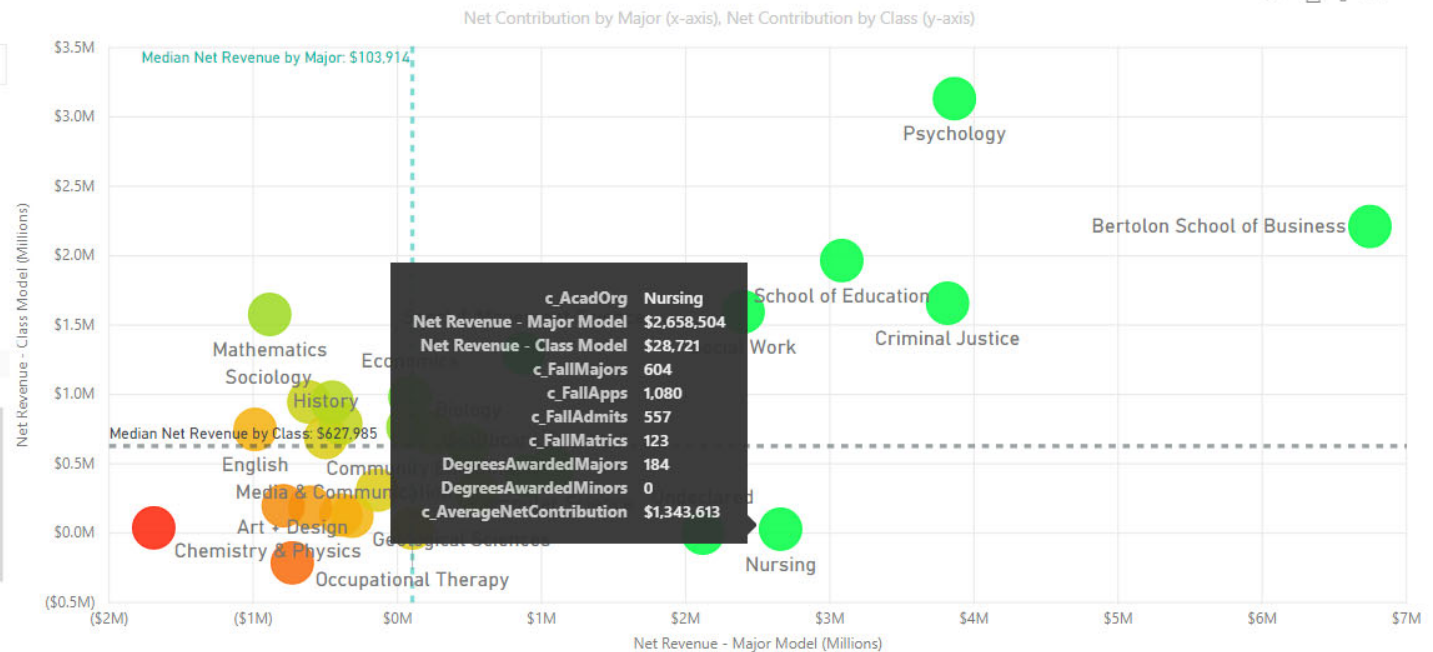
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Academic Group/Division

- Select all
- Community Enrichment
- Graduate School
- Undergrad Continuing Education
- Undergraduate Day

Academic Org

- Select all
- Art + Design
- Bertolon School of Business
- Biology
- Chemistry & Physics
- Coll of Continuing & Prof Stud
- Community Enrichment
- Computer Science
- Criminal Justice
- Economics
- English
- Geography and Sustainability
- Geological Sciences
- Healthcare Studies
- History



Color coding legend:



Summary

\$22,659,504	\$22,661,206	\$22,660,355	10,551	6,458	2,125	2098	906	102
Net Contribution - C...	Net Contribution - ...	Average Net Contrib...	Fall Apps	Fall Admits	Fall Matrics	DegreesAwardedMaj...	DegreesAwardedMi...	DegreesAwardedSecond...

Discussion