

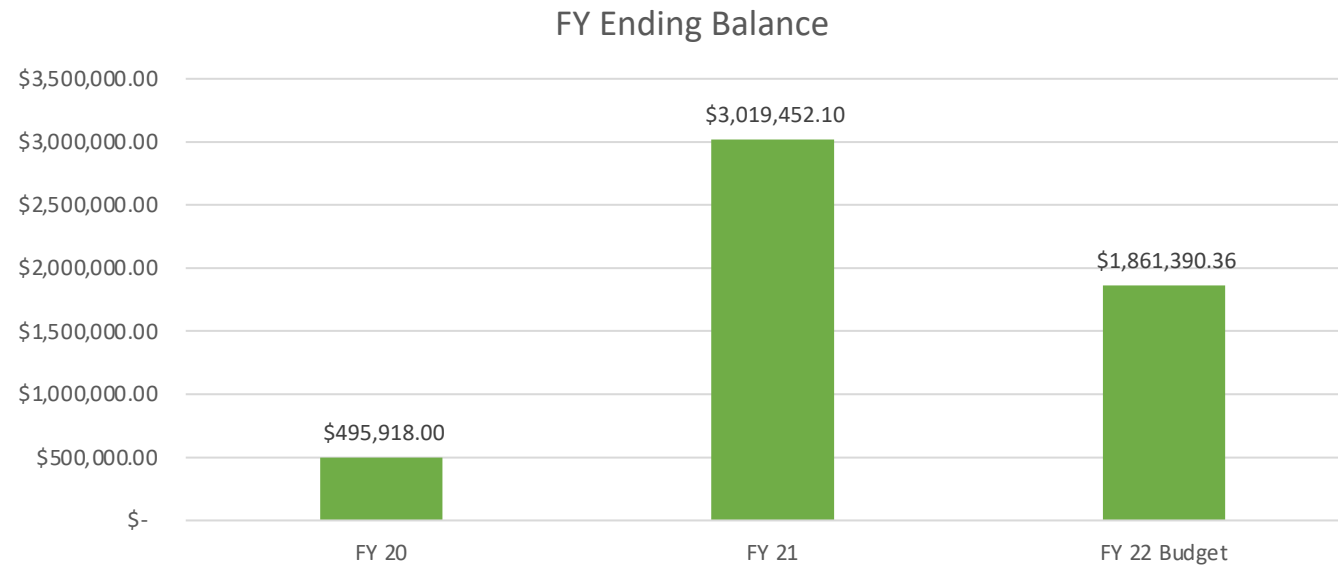
FY 2021 Annual Report

College of Liberal Arts

Presented by Kirke Willing / Oct 5, 2021

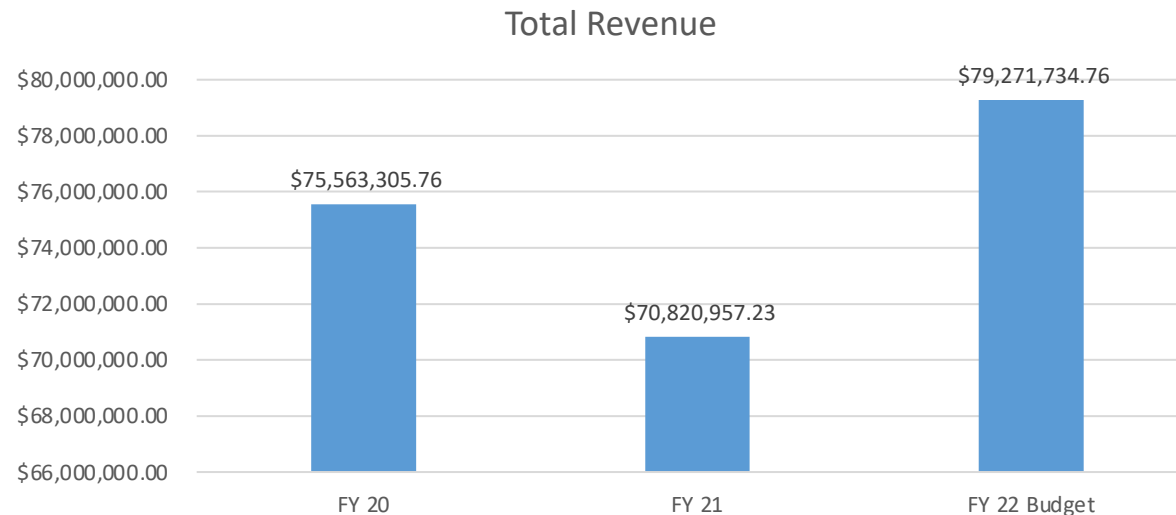
College of Liberal Arts FY 2021 Annual Report

- Financially, the college is in good standing and continually posts a positive annual balance each year
- For FY 21 the College finished the year with an ending Balance of just over \$3 million



FY 2021 Revenue

- In FY 21 CLA saw a decrease in revenue of \$4.74 million compared to FY 20



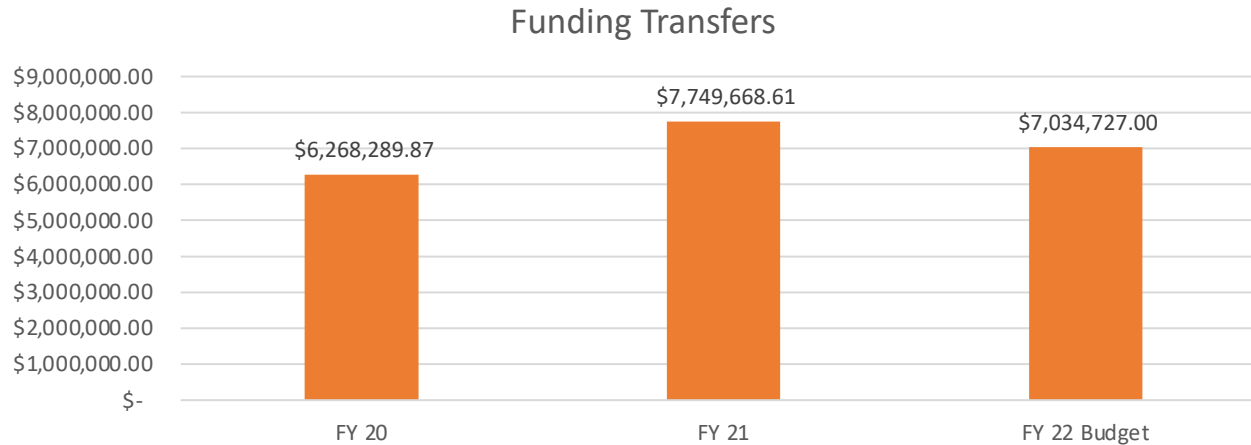
- Revenue for the College is generally made up from our Central Recurring Allocations, Tuition and Fee income, Endowments, Gifts, External Income and Transfers
- The \$4.74M decrease in revenue can be attributed to the one-time allocation give back of \$4.8M
 - This allocation return represented the College's budget reduction for FY 21 due to the COVID-19 pandemic.
 - Aside from the allocation return, CLA's revenue stayed in line with our previous revenue in FY 20

Revenue Continued

- **For FY 22 the College has budgeted revenue at \$79,271,734.76.**
 - **The large increase in revenue is attributable to a number of factors:**
 1. \$4.8M returns to revenue because there is no allocation return for FY 22.
 2. \$1.054M represents Recurring Central Funding for Merit increases
 3. \$1.855M in Recurring Central funding for Enrollment Growth Instruction.
 4. \$750K increase in Revenue for Study Abroad Program restart.

FY 2021 Transfers

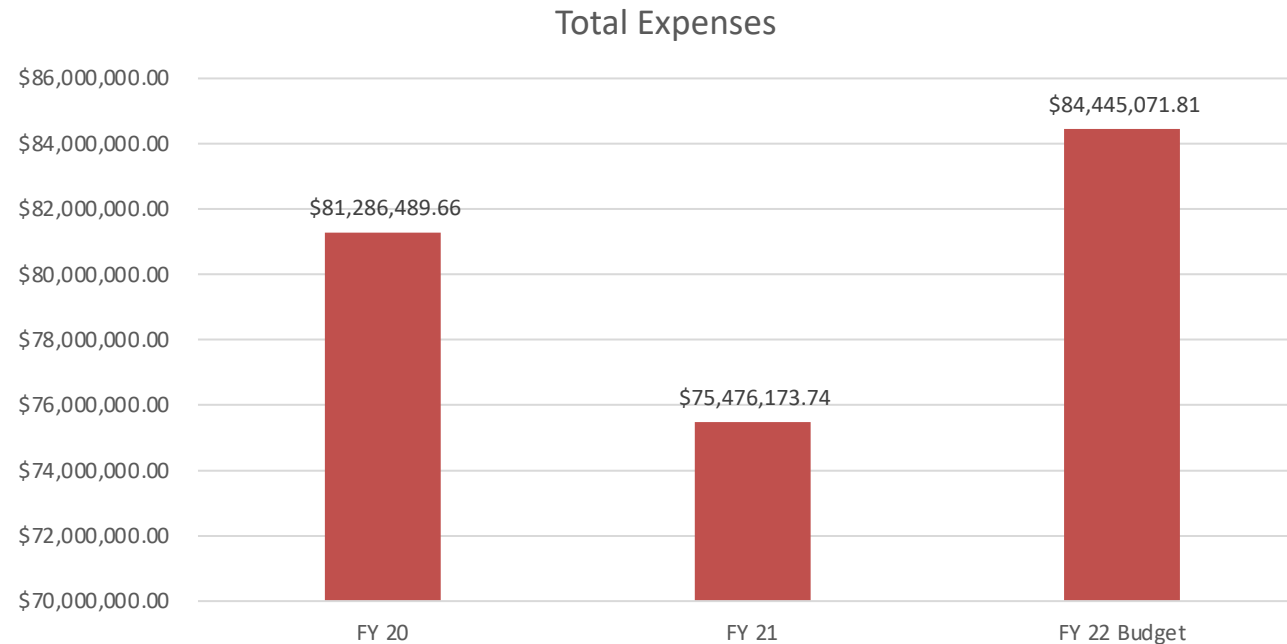
- FY 21 funding transfers received by the College totaled \$7,749,668.61



- This was an increase of slightly less than \$1.5M compared to FY 20
- The majority of the transfers (\$5.75 million) come from the Provost's Office through their summer teaching program, CLA specific programs, as well as faculty funding initiatives like Dual Career Hires
- Main Drivers for increase in Transfers in FY 21 are:
 - Increase In Summer Teaching Program generated \$600K more than in the previous year
 - CLA received \$1.2 million in non recurring central funding to meet instructional needs in FY 21
 - Lastly, CLA did see a decrease of \$300K in internal grant funding due to the pandemic

FY 2021 Expenses

- For FY 21 the College finished the year with \$75,551,174 in total expenditures, which was a decrease of \$5.78 million from FY 20



Four Key Drivers in Expenses for FY 21

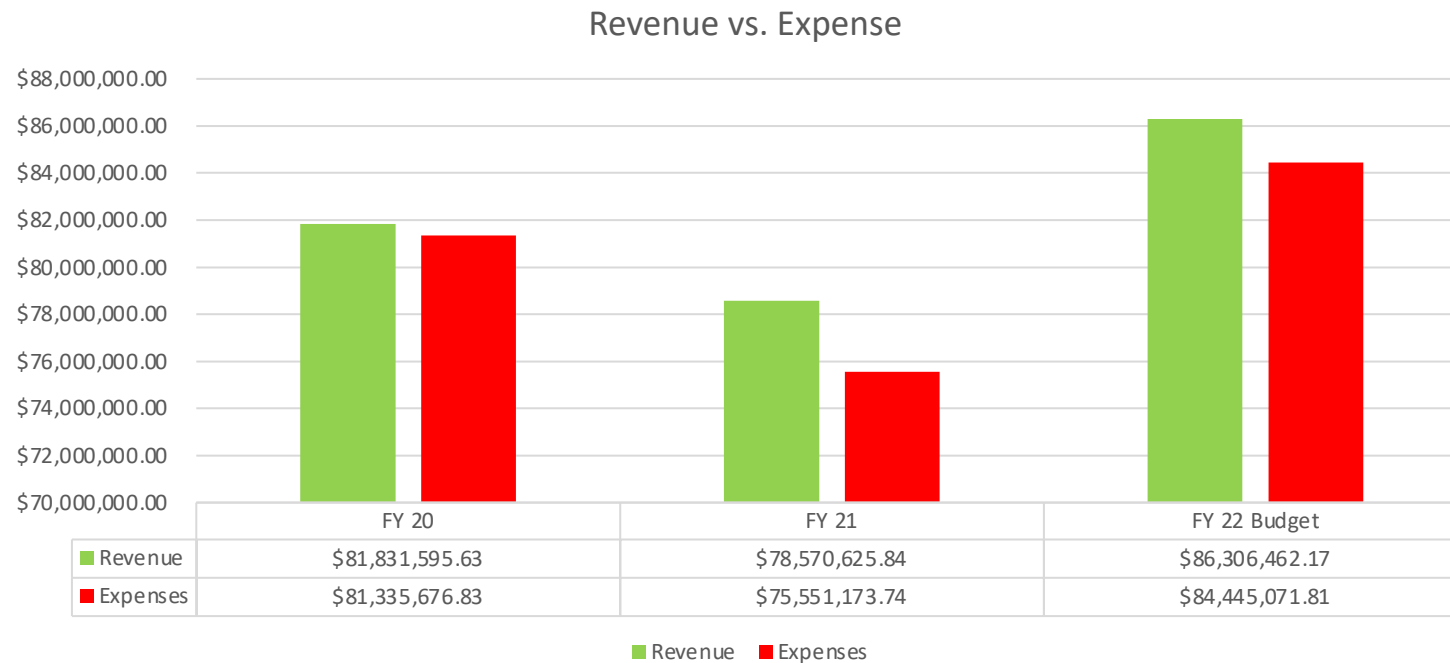
1. In FY 21 we saw a total decrease in S&W of \$1,265,285.26 compared to FY 20. Graduate Students accounted for the bulk of the decrease at \$817K as this was a University focus area for the College's budget reduction
2. Fringes and Fee Remits were the next area we saw a large decrease, \$627,410.64 compared to FY 20. The decrease in fringes was expected as fringes should correlate with the decrease in S&W
3. The largest decrease was in Travel and Hospitality, which saw a decrease of \$2,448,661.80, largely attributable to COVID-19 and the associated travel and event restrictions



4. R&R Projects for FY 20 and FY 21 were paused and funding returned to the college creating a \$1.1 million variance to the positive for the college

FY 2022 Projected Budget

- For FY 2022 the College is projecting to end the year with an ending balance of just over \$1.86 million.
- The College’s revenue (including transfers) for FY 22 is projected to be at \$86.3 million and our expenses for FY 22 are projected to finish the year at \$84.44 million.



FY 2022 Projected Budget (Cont.)

- Some of the key factors in driving the Projected Surplus balance for FY 22 are:
 1. The surplus projection is mainly being driven by the fact that we do not have to provide a central allocation return of funding in FY 22
 2. Another factor is the fact that CLA did not hire any faculty or staff in FY 21 due to the fiscal uncertainty for the College given the pandemic
 3. One other factor in the projected surplus for FY 22 is the fact that we do not expect the college to return to pre-pandemic Travel and Hospitality expenditures
 - For FY 22, we have budgeted these expenses at \$2.37 million, more in line with the FY 16 budget for Travel and Hospitality

FY 2022 Projected Budget Key Highlights

- CLA received \$1.855 million in recurring funding for enrollment growth instruction.
- The College did not have an allocation return in FY 22, saving \$4.8 million for the budget.
- The merit increase pool was re-established at 3% for FY 22 with recurring dollars centrally funded for 1.5% of the increase. The other 1.5% was funded through the College.
- CLA's faculty recruitment plan was approved this Spring to hire 42.5 faculty in FY 22.
 - 22 of the new faculty hires will be funded centrally with \$2.45 million for enrollment growth
 - Two other hires will be part of the Equity Task Force Faculty Cluster Hires and will also receive central funding to cover 50% of salary.
 - CLA will cover the other 18.5 hires from our own funding.
- CLA is restarting its faculty and graduate student support programs, Aspire, PROMISE, Engage and Create for FY 22 with a total investment of \$775,000 from both the College and the Provost's Office.
- In FY 22 the College will invest \$600K (\$300K each) in standing up a Research Academy and a Center for Arts and Humanities two elements of the Strategic Plan.

Conclusion

- In conclusion, despite the current uncertainties and impact of the COVID 19 pandemic, the College of Liberal Arts remains in a positive budget position.
- To maintain this position in the current budget environment will require conscientious management of the budget throughout the fiscal year.
- The University and the College continue to navigate many uncertainties associated with the pandemic, including hard-to-predict enrollment growth in future years. Keeping all of this in mind, we need to continue to practice fiduciary prudence.