



FALL BUDGET TOWN HALL

**SEPTEMBER 24, 2021
11:30 A.M. – 1:00 P.M.**

Agenda



- Welcome
- FY21 Year-End Closing
- FY22 Budget
 - Operating Budget
 - Divisional Reserves
 - CARES Funds
- Multi-Year Fund Sources
- The MacKenzie Scott Gift
- Proposed FY23 & FY24 Budget Calendar
- Q&A

FY21 Year-End Closing

Unrestricted Revenues	FY 2021 Budget	FY21 Year-End
State Appropriations	\$45,642,735	\$46,728,531
Tuition & Fees	\$46,446,764	\$46,697,572
State CARES Funds	\$1,145,210	\$1,073,979
Federal Grants and Contracts	\$429,977	\$371,673
Sales & Services Auxiliary	\$19,025,952	\$16,497,935
Federal CARES Funds (Auxiliary)	\$4,483,071	\$3,855,482
Other Revenues	\$1,848,319	\$479,493
Total Revenues	\$119,022,028	\$115,704,665

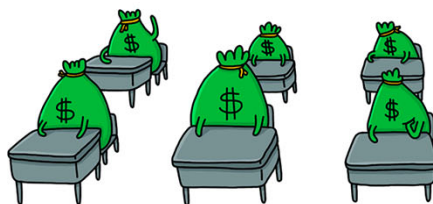
Unrestricted Expenditures	FY 2021 Budget	FY 2021 Year-End
State-Supported	\$95,513,005	\$94,500,701
Auxiliary Services	\$23,509,023	\$20,316,513
Total Expenditures	\$119,022,028	\$114,817,214

+/- Trsf to Fund Balance	\$0	\$887,451
---------------------------------	------------	------------------



FY22 Operating Budget

- Budget assumes enrollment headcount of 6,250 for Fall 2021
- Budget assumes enrollment headcount of 5,625 or 90% for Spring 2022
- 2% increase in UG/Grad In-State Tuition
- 1% increase in UG/Grad Out-of-State Tuition
- 0% increase in Mandatory Fees with exception of Technology Fee
- Funding for Institutional Mandatory Expenses (Debt Service, Health Rate changes, etc.)
- Supplemental Funds for Health Science
- Divisional Reserve Funds for strategic initiatives (one time)
- Suspension of personnel conversions from Title III (Grant) funding to State-Support funding
- USM/State legislative guidelines do not allow for COLA or merit increases



FY22 Operating Budget

Current Unrestricted Revenue:

Tuition and Fees	48,613,040
State Appropriations/Higher Education Investment Funds	47,974,032
Federal Grants and Contracts (Indirect Cost)	477,904
Sales and Services of Auxiliary Enterprises	27,845,626
Other Sources	1,948,319
Transfer (to)/from Fund Balance	-1,291,167
Total Unrestricted Revenue	<u><u>125,567,754</u></u>

Current Restricted Revenue:

Federal Grants and Contracts	23,209,513
CARES Federal Support (one time)	69,803,297
Private Gifts, Grants and Contracts	500,000
State and Local Grants and Contracts	2,000,000
Total Restricted Revenue	<u><u>95,512,810</u></u>

Total University Revenue Budget	<u><u>221,080,564</u></u>
--	----------------------------------



FY22 Divisional Reserves



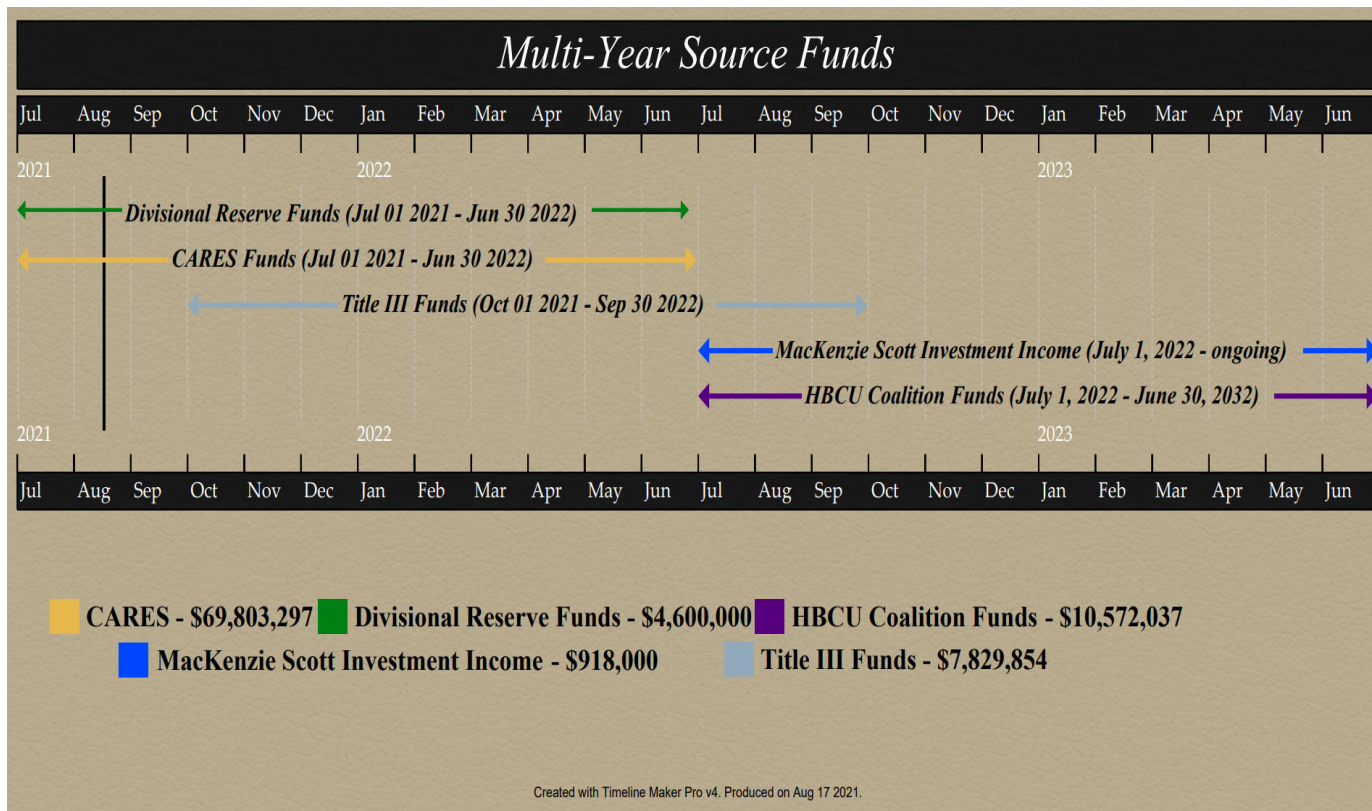
Division	FY22 Budget
Div Resv-Acad Affairs Prmg 01	\$632,109
Div Resv-Acad Affairs Prmg 04	\$600,377
	\$1,232,486
Div Resv-Enrolmt Mngt Prmg 05	\$326,122
	\$326,122
Div Resv-Std Affairs Prgm 05	\$318,089
Div Resv - Std Affairs Aux 08	\$264,613
	\$582,702
Div Resv-President Prgm 06	\$100,000
	\$100,000
Div Resv-Admin & Fin Prgm 07	\$424,576
Div Resv-Admin & Fin Prgm 06	\$461,320
Div Resv - Admin & Fin Aux 08	\$861,938
	\$1,747,834
Div Resv-Instit Advcmnt Prgm 06	\$74,875
	\$74,875
Div Resv-DIT Prgm 06	\$190,000
	\$190,000
Div Resv - Athletics Aux 08	\$350,000
	\$350,000
Total	\$4,604,019

FY22 Federal CARES Funds

Award Amount	Description	Projected Expenses
\$14,252,878	HEERF II	\$7M Student Aid; \$4M IT Upgrade; \$1.6M Faculty/Staff Contracts, Course Redesign, Instructional Enhancements, Supplies, Security, & Equipment; \$1.6M Operations, PPE, Cleaning, Wellness, Testing, and Vendor Services
\$14,252,878		
\$353,504	HEERF II (Increase to original GAN)	\$4M Student Aid; \$1M Student Books; \$12M ERP System & Training; \$2.5M Classroom Upgrades; \$3.5M Academics; \$2.5M IT Technology Upgrades, Instructional Enhancements, Student Success/Support Services & Programs
\$25,474,021	HEERF II American Rescue Plan Act - HBCU	
\$25,827,525		
\$7,490,446	HEERF II Institutional Portion	\$3.3M Student Aid; \$1.2M Operations, PPE, Supplies, Testing; \$6.3M Vendor Services, Cleaning, Equipment
\$3,298,123	HEERF II Student Aid	
\$10,788,569		
\$9,480,407	HEERF III American Rescue Plan Student Aid	\$9.5M Student Aid; \$4.7M Student Debt; \$4.9M Student Laptop Initiative
\$9,453,918	HEERF III American Rescue Plan Institutional Portion	
\$18,934,325		
\$69,803,297	Grand Total	



Multi-Year Fund Sources



The MacKenzie Scott Gift

- One time gift of \$25M intended by the donor to advance the long-term viability of the University and to inspire more giving.
- University Leadership aligned the gift allocation with the **University's Three Strategic Priorities:**
 - Student Success
 - Academic Innovation, and
 - the Long-term Viability of the Institution



The MacKenzie Scott Gift

I. \$22,950,000 moved to university endowment to fund the University Strategic Goals in perpetuity

BSU had the lowest endowment of all USM institutions (\$7.8M at the close of FY20). The Scott Gift and recent fundraising efforts have increased the endowment to \$33M at the end of FY21.

How the \$22.95M was allocated:

- a. \$12,500,000 to ensure **Student Success** = \$500,000 projected yearly return
- b. \$6,000,000 for **Academic Innovation** = \$240,000 projected yearly return, which will help fund:
 - i. 4 Professorships (\$80,000 annually)
 - ii. 3 Endowed Chairs (\$140,000 annually)
 - iii. Entrepreneurial Ecosystem (\$20,000 annually)
- c. \$2,050,000 used to leverage additional funding, e.g. the Maryland E-Innovation grant made possible by a small portion of the Scott Gift used as a match.



The MacKenzie Scott Gift

- II. \$4,450,000 to ensure the Long-Term Viability of the Institution = \$178,000 projected yearly return.
- a) Campus and Facilities Infrastructure support (\$100,000 annually)
 - b) Community engagement, constituent and major donor relationship cultivation, program activities (\$78,000 annually)



Proposed FY23 & FY24 Budget Calendar

Timeline	Due Dates	Task
Aug-Sept	August	USM provides Bowie with specific budget instructions and information for submission of next year's budget request (General Funds, Tuition Rate, Institutional Mandatories, etc.)
	August	Budget Office obtains preliminary enrollment numbers and credit hour mix from Institutional Research for development of the University's budget request
	September	A preliminary upcoming fiscal year budget request is prepared in accordance with USM instructions, preliminary enrollment numbers, preliminary initiatives, and the current year base budget
	September	The preliminary upcoming fiscal year budget request is prepared for the State and entered into the Budget Application System (BAS)
Nov-Dec	November	Draft Tuition, Mandatory Fees, Room and Board Rates are reviewed through shared governance process (SGA, GSA, & University Council)
	December	If applicable, adjustments are made to the preliminary upcoming fiscal year budget request based on information from USM
Jan-Mar	January	Governor approves upcoming fiscal year budget request and forward to Department of Legislative Services (DLS)
	January	Receive several fiscal impact statements from USM regarding pending legislation that may have impact on higher education institutions in the State
	January	DLS prepares an assessment of BSU and submits questions/areas of concerns
	January	Conduct Mid-Year Expenditure Review with VPs and/or President – Re-allocation of one-time funds recommended if appropriate



Proposed FY23 & FY24 Budget Calendar



	February	If applicable, Budget Hearings are held. Testimony is prepared for President to defend upcoming fiscal year budget proposal
	February	If applicable, President testifies before the House/Senate subcommittees
	February	Tuition, Mandatory Fees, Room and Board rates are submitted to Board of Regents (BOR) for approval
	March – Outlying Fiscal year	President and Cabinet members establish University priorities for Outlying FY
	March	Cabinet finalizes enrollment numbers for development of University’s upcoming fiscal year working budget
	March	Budget Office prepares projected Working Revenue Budget based on headcount/credit hours and Governor’s allowance
	March – Outlying Fiscal Year	Departments begin developing initiatives for review based on instructions from their division/department heads for Outlying FY
Apr-Jul	April – Outlying Fiscal Year	All departmental initiatives are due to their respective division/department heads for review
	April – Outlying Fiscal Year	All proposed initiatives are due to the Budget Office from division/department heads
	April – Outlying Fiscal Year	Cabinet reviews submissions to ensure initiatives are aligned with BSU’s Strategic Plan
	April	USM notifies the institutions if the proposed Tuition, Fees, Room and Board Rates are approved by BOR
	May	President and VPAF host a campus wide budget update open forum
	June	Budget Office begins the process of preparing the working budget for use in the PeopleSoft system
	July	Budget Office re-allocates one-time reserve funds to divisions
	July	Budget Office informs the campus community that budgets are available in PeopleSoft system
	July	The Budget Office submits Bowie’s working budget information to USM

Useful Links

- The Department of Education
 - Website for Higher Education Emergency Relief Fund: <https://www2.ed.gov/programs/heerf/index.html>
 - FAQs and Guidance related to funds this fiscal year (HEERF I and II):
 - Higher Ed Emergency Relief Fund (III): <https://www2.ed.gov/about/offices/list/ope/arpfaq.pdf>
 - Guidance: <https://www2.ed.gov/about/offices/list/ope/g5updateletter31921.pdf>
- FY22 USM Compensation Guidelines:
https://www.usmd.edu/usm/adminfinance/FY2022_USM_Compensation_Guidelines_Memo.pdf





Parking Lot I



Bulldog Express Shuttle

