



# **FY 2024 BUDGET UPDATE FORUM**

**MAY 19, 2023**  
**2:30 PM – 4:00 PM**

# Agenda

- Budget Process Calendar
- FY23 Operating Budget
  - Fiscal Year End
  - CARES/HEERF Funding
- FY24 Operating Budget
  - Budget Assumptions
  - Revenue/Expense Changes
  - Preliminary Budget
- Multi-Year Fund Source Chart
- Questions

# Budget Development Process 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-Feb	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 forwards 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, to align with strategic priorities
	February	If applicable, Budget Hearings with the Department of Budget and Management (DBM) 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

# Budget Development Process Calendar



	February	VPAF provides mid-year budget update to the campus community
	February	President and Cabinet members establish University priorities for Outlying FY
	February	Cabinet finalizes enrollment numbers for development of University's upcoming fiscal year working budget
	March	Departments begin developing initiatives for review based on instructions from their division/department heads
Apr-Jul	April	All departmental initiatives are due to their respective division/department heads (VP) for review
	May	All proposed initiatives are due to the Budget Office from division VPs
	May	Cabinet reviews submissions to ensure initiatives are aligned with BSU's Strategic Plan and FY Priorities
	April	USM notifies the institutions if the proposed Tuition, Fees, Room and Board Rates are approved by BOR
	<b>May</b>	<b>President and VPAF host a campus wide budget update open forum</b>
	June	Budget Office begins the process of reconciling and preparing the working budget for use in the financial system
	July	Budget Office informs the campus community that budgets are available

# FY23 Fiscal Year-End

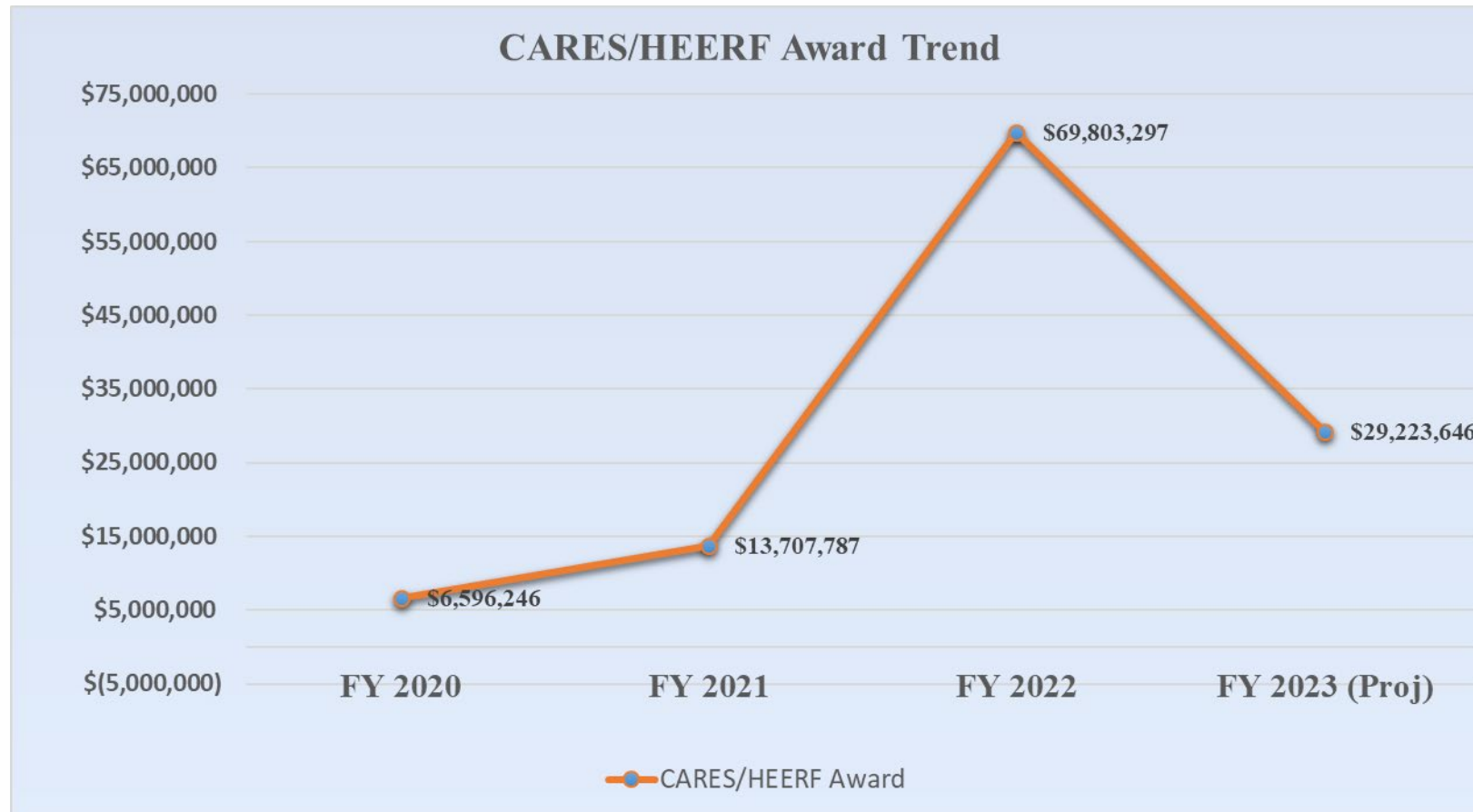


Unrestricted Revenue	FY 2023 Budget	Projections thru 6/30/23	\$ Difference
Tuition and Fees	48,947,875	49,163,485	215,610
State Appropriations	62,587,397	62,587,397	0
HBCU Coalition Funds	10,572,037	10,572,037	0
Federal Grants and Contracts (Indirect Cost)	477,904	480,128	2,224
Auxiliary Enterprises	26,056,136	26,678,355	622,219
Other Sources	1,936,319	2,116,941	180,622
Transfer (to)/from Fund Balance	-1,494,170		1,494,170
<b>Total Unrestricted Revenue</b>	<b>149,083,498</b>	<b>151,598,343</b>	<b>2,514,845</b>

Restricted Revenue	FY 2023 Budget	Projections thru 6/30/23	\$ Difference
Federal Grants and Contracts	26,209,513	26,000,000	-209,513
CARES/HEERF	29,000,000	29,000,000	0
Private Gifts, Grants and Contracts	500,000	285,000	-215,000
State and Local Grants and Contracts	2,000,000	1,685,000	-315,000
<b>Total Restricted Revenue</b>	<b>57,709,513</b>	<b>56,970,000</b>	<b>-739,513</b>

<b>Total All Revenue</b>	<b>206,793,011</b>	<b>208,568,343</b>	<b>1,775,332</b>
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# CARES/HEERF Funding Trend



CARES – Coronavirus Aid, Relief and Economic Security Act

HEERF – Higher Education Emergency Relief Fund

# CARES/HEERF Funds



- Financial Aid to students - \$39M
- Student Debt - \$7.3M
- Auxiliary lost revenue and reimbursements - \$10M
- Equipment and/or software to enable distance learning - \$6.5M
- Technology upgrade to computer labs, conference rooms, and offices to enable distance learning and virtual activities - \$8.7M
- Testing, Wellness, PPE, cleaning, and supplies - \$5.9M
- HVAC & Air Filtration Enhancements - \$3.5M
- Costs for adjunct and/or staff contracts related to operating additional class sections to enable social distancing, course redesign -\$4.1M
- Campus security, safety and operations - \$2.3M

CARES – Coronavirus Aid, Relief and Economic Security Act

HEERF – Higher Education Emergency Relief Fund

# FY24 Operating Budget



Unrestricted Revenue	FY 2024 Budget
Tuition and Fees	50,151,187
State Appropriations	67,477,048
HBCU Coalition Funds	18,193,432
Federal Grants and Contracts (Indirect Cost)	634,869
Auxiliary Enterprises	27,551,035
Other Sources	1,936,319
Transfer (to)/from Fund Balance	-1,625,940
<b>Total Unrestricted Revenue</b>	<b>164,317,950</b>

Restricted Revenue	FY 2024 Budget
Federal Grants and Contracts	28,209,513
CARES/HEERF	0
Private Gifts, Grants and Contracts	500,000
State and Local Grants and Contracts	2,000,000
<b>Total Restricted Revenue</b>	<b>30,709,513</b>

<b>Total All Revenue</b>	<b>195,027,463</b>
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# FY24 Key Budget Assumptions

- Aligned with BSU Strategic Plan and FY Priorities
- 2% increase in UG/Grad In-State Tuition
- 1% increase in UG/Grad Out-of-State Tuition
- Budget assumes enrollment headcount of 6,400 for fall 2023 and headcount of 5,760 or 90% for spring 2024
- Funding for Institutional Mandatory Expenses (COLA, Merit, Health Rate Increases, Financial Aid, etc.)

# FY24 Key Budget Assumptions

- HBCU Coalition Funds
  - Academic Support
  - Marketing
  - Scholarships and financial aid support services
  - Faculty Recruitment
  - Expanding and improving existing academic programs, including online programs
  - Development and implementation of new academic programs, including online programs

# FY24 Projected Unrestricted Revenue Changes

• Tuition and Fees	\$1.2M
• State Appropriations/HEIF*	\$4.9M
• HBCU Coalition Funds	\$7.6M
• Transfer to Fund Balance	\$1.5M
<b>Total Project Revenues</b>	<b><u>\$15.2M</u></b>

\*Higher Education Investment Fund (HEIF)

# FY24 Projected Mandatory Expenditures Changes



• HBCU Coalition Funds	\$ 7.6M
• Health Rate Changes	\$ 779K
• COLA/Merit	\$ 4.0M
• Center for Justice, Law and Civic Engagement	\$ 500K
• Student Mental Health Services	\$ 250K
• Financial Aid	\$ 145K
• Facilities R&R	\$ 549K
• Divisional Requests	\$
<b>Total Projected Expenses</b>	<b>\$13.8M</b>

# FY24 Preliminary Unrestricted Budget

• FY23 Operating Base Revenues	\$ 149.1M
• +FY24 State-Supported Revenue Change	\$ 13.7M
• +FY24 Auxiliary Revenue	<u>\$ 1.5M</u>
• FY24 Projected Revenues	\$ 164.3M
• FY23 Operating Base Expenditures	\$ 149.1M
• +FY24 State-Supported Mandatory Expenses	\$ 13.8M
• +FY24 Auxiliary Expenses	<u>\$ 1.5M</u>
• FY24 Projected Expenses	\$ 164.4M
<b>FY24 Operating (+/-)</b>	<b>\$(100K)</b>

# Multi-Year Fund Sources

## *Multi-Year Fund Sources*



■ \$146,124,518  
 ■ \$18,193,432  
 ■ \$30,709,513  
 ■ \$350,000  
 ■ \$8,869,476

# QUESTIONS?