

AAUP Chapter Meeting 2/7/2017



Rider University Chapter of the AAUP

Vox Facultatis

(Current unrestricted fund, in thousands)¹

Combined Campuses

	Fiscal 2016 as of June 2016	Fiscal 2017 as of June 2016	Fiscal 2018 as of June 2016	Fiscal 2019 as of June 2016
REVENUES:				
Tuition and fees	165,632	170,515	180,673	189,658
Scholarships	(60,182)	(67,282)	(73,945)	(80,735)
Tuition and fees, net of scholarships	105,450	103,233	106,728	108,923
Gifts and grants	1,699	1,899	1,949	1,999
Investment and endowment income	435	419	419	419
Auxiliary enterprises:				
Residence halls and board	30,110	29,355	31,290	32,621
Conferences and other auxiliary	7,183	3,840	3,822	3,877
Other sources	1,640	1,640	1,640	1,640
TOTAL REVENUES	146,517	140,386	145,848	149,479
EXPENDITURES:				
Salaries and fringe benefits	96,382	99,589	101,627	105,252
Operations and maintenance of plant	12,682	13,602	14,637	15,002
Food service	6,801	6,788	7,120	7,349
Professional services	6,630	6,585	6,707	6,908
Travel	4,960	2,517	2,564	2,641
Equipment/software maintenance & rental	3,606	4,266	4,929	5,591
Other operating	12,392	12,524	12,563	12,951
Contingency	500	2,000	2,000	2,000
TOTAL EXPENDITURES	143,953	147,871	152,147	157,694
TRANSFERS:				
Debt service	6,548	6,173	3,669	3,554
Other - in	(300)	-	-	-
Other - out	1,068	1,055	1,109	1,167
TOTAL TRANSFERS	7,316	7,228	4,778	4,721
TOTAL EXPEND & TRANSFERS	151,269	155,099	156,925	162,415
NET REVENUE (DEFICIT)	(4,752)	(14,713)	(11,077)	(12,936)

Available Funds
Recap:

8,000	Approved quasi endowment spend
1,845	Quasi endowment remaining at June 2016
3,737	Plant reserves at June 2016
13,582	

**Original 3 Year Budget
Projection
(July 2016)**

Gap - 2016 to 2019
(43,478)

Note 1- Cash based budgeting, excludes depreciation and amortization

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Rider University
(Current unrestricted fund, in thousands)¹
Key Assumptions at June 2016

	FY 2016	FY 2017	FY 2018	FY 2019
Includes contingency of - (000's)	\$ 500	\$ 2,000	\$ 2,000	\$ 2,000
Key Assumptions				
Tuition:				
Full-time undergraduate per year	\$ 37,650	\$ 39,080	\$ 40,560	\$ 42,100
Full-time undergraduate tuition increase	4.2%	3.8%	3.8%	3.8%
Room and board:				
Standard double rate per year	\$ 8,910	\$ 9,270	\$ 9,640	\$ 10,020
Room rate increase	4.0%	4.0%	4.0%	4.0%
Standard meal plan rate per year	\$ 4,860	\$ 4,960	\$ 5,060	\$ 5,160
Board rate increase	2.0%	2.0%	2.0%	2.0%
Scholarship discount:				
Freshman	53.3%	53.2%	54.8%	55.9%
All full-time undergraduates	46.3%	48.6%	49.6%	51.4%
Sesquicentennial scholarship use*	\$ -	\$ 1,500,000	\$ -	\$ -
New freshman	865	910	940	960
Full-time Enrollment:				
Undergraduate programs	3,690	3,660	3,765	3,825
WCC Grad FT Fall	97	100	104	108
total	3,787	3,760	3,869	3,933
Part-time and Graduate Enrollment:				
Grad PT credits	12,445	12,956	13,495	13,999
Expenses:				
Salary rate increase:				
AAUP, Chairs	0.0%	0.0%	1.0%	2.0%
Non-Bargaining	0.0%	2.00%	1.0%	2.0%
AFSCME	0.0%	0.0%	1.0%	2.0%
Non-Bargaining pension contribution rate	5.0%	5.0%	5.0%	5.0%
Scholarship increase	6.8%	11.8%	9.9%	9.2%
Food service rate increase	2.5%	1.3%	3.0%	3.0%

3 Year Projection "Key Assumptions"

Note 1- Cash based budgeting, excludes depreciation and amortization

* Restricted donor Sesquicentennial funding no longer available in 2018 and 2019

RIDER UNIVERSITY
Fiscal 2016 through Fiscal 2019

(Current unrestricted fund, in thousands)

Combined Campuses

REVENUES:

Tuition and fees
 Scholarships'
 Tuition and fees, net of scholarships

Gifts and grants
 Investment and endowment income
 Auxiliary enterprises:
 Residence halls and board
 Conferences and other auxiliary
 Other sources
TOTAL REVENUES

EXPENDITURES:

Salaries and fringe benefits
 Operations and maintenance of plant
 Food service
 Professional services
 Travel
 Equipment/software maintenance & rental
 Other operating
 Contingency
TOTAL EXPENDITURES

TRANSFERS:

Debt service
 Other - in
 Other - out
TOTAL TRANSFERS

TOTAL EXPEND & TRANSFERS

NET REVENUE (DEFICIT)
PRIOR FORECAST

Final	Forecast at October 6, 2016		
Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
165,736	169,340	179,871	188,932
(60,422)	(66,547)	(75,185)	(83,009)
105,314	102,793	104,686	105,923
1,524	2,181	2,181	2,181
444	559	559	559
30,301	29,037	31,285	32,616
7,397	3,784	3,766	3,821
1,879	1,695	1,695	1,695
146,859	140,049	144,172	146,795
96,040	99,363	100,581	104,283
11,584	12,106	13,640	13,988
7,019	6,670	7,055	7,284
6,555	6,390	6,204	6,391
5,310	2,556	2,617	2,699
3,221	3,724	4,374	5,025
11,564	11,606	11,952	12,346
-	2,000	2,000	2,000
141,293	144,414	148,424	154,016
6,548	6,173	3,669	3,554
-	-	-	-
2,085	1,055	1,109	1,167
8,633	7,228	4,778	4,721
149,926	151,642	153,202	158,737
(3,067)	(11,593)	(9,030)	(11,942)
	-10,117	-5,174	-7,206

**Revised 3 Year
 Projection
 (October 2016)**

CONSTANT

- 4 M AMOUNT
 NEVER REPAID

10% INCREASE
 FISCAL 2018
 prof services 6M?
 other op 12M?
 2M contingency

8% of
 EXPENSES IS
 UNCATEGORIZED
 OTHER OPERATING
 ~ 12M

1. Includes increased scholarship funding as recommended by HCRC

Budget Exercise Modified Assumptions 3 Year Forecast

	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Revenues				
Tuition and Fees	\$165,736.00	\$169,340.00	\$179,871.00	\$188,932.00
Scholarships	-\$60,422.00	-\$66,547.00	-\$75,185.00	-\$83,009.00
Net	\$105,314.00	\$102,793.00	\$104,686.00	\$105,923.00
Gifts and Grants	\$1,524.00	\$2,181.00	\$2,181.00	\$2,181.00
Investment Endowment Income	\$444.00	\$559.00	\$559.00	\$559.00
Auxiliary Enterprises				
Residence Hall and board	\$30,301.00	\$29,037.00	\$31,285.00	\$32,616.00
Conferences and other auxiliary (a)	\$7,397.00	\$5,300.00	\$5,300.00	\$5,300.00
Other sources	\$1,879.00	\$1,695.00	\$1,695.00	\$1,695.00
Total Revenues	\$146,859.00	\$141,565.00	\$145,706.00	\$148,274.00
Expenditures				
Salaries and fringe benefits (b)	\$96,040.00	\$98,389.00	\$99,907.00	\$102,682.00
Operations and maintenance of plant (c)	\$11,584.00	\$11,815.68	\$12,051.99	\$12,293.03
Food service	\$7,019.00	\$6,670.00	\$7,055.00	\$7,284.00
Professional services	\$6,555.00	\$6,390.00	\$6,204.00	\$6,391.00
Travel	\$5,310.00	\$2,556.00	\$2,617.00	\$2,699.00
Equipment/software and rental (d)	\$3,221.00	\$3,285.42	\$3,351.13	\$3,418.15
Other operating	\$11,564.00	\$11,606.00	\$11,952.00	\$12,346.00
Contingency (e)	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenditures	\$141,293.00	\$140,712.10	\$143,138.12	\$147,113.18
Transfers				
Debt service	\$6,548.00	\$6,173.00	\$3,669.00	\$3,554.00
other in	\$0.00			
other out	\$2,085.00	\$1,055.00	\$1,109.00	\$1,167.00
Total Transfers	\$8,633.00	\$7,228.00	\$4,778.00	\$4,721.00
Total Expenses & Transfers	\$149,926.00	\$147,940.10	\$147,916.12	\$151,834.18
Net Revenue/Deficit	-\$3,067.00	-\$6,375.10	-\$2,210.12	-\$3,560.18

Notes:

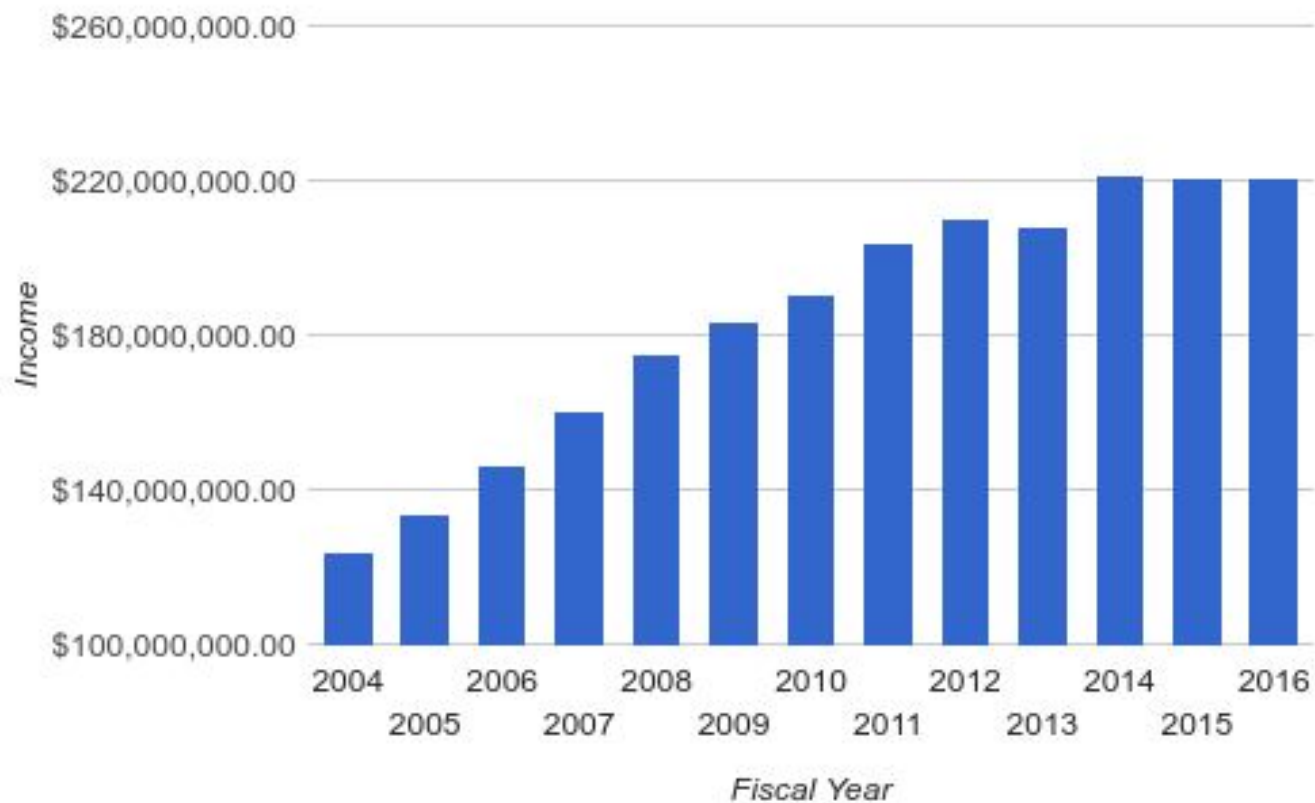
- a) assume half of revenue lost from major contract is regained
- b) recognize reduction in FT faculty departures
- c) assume 2 percent increase per year
- d) assume 2 percent increase per year
- e) remove 2 million dollar contingency padding

Savings from Retirees by Year

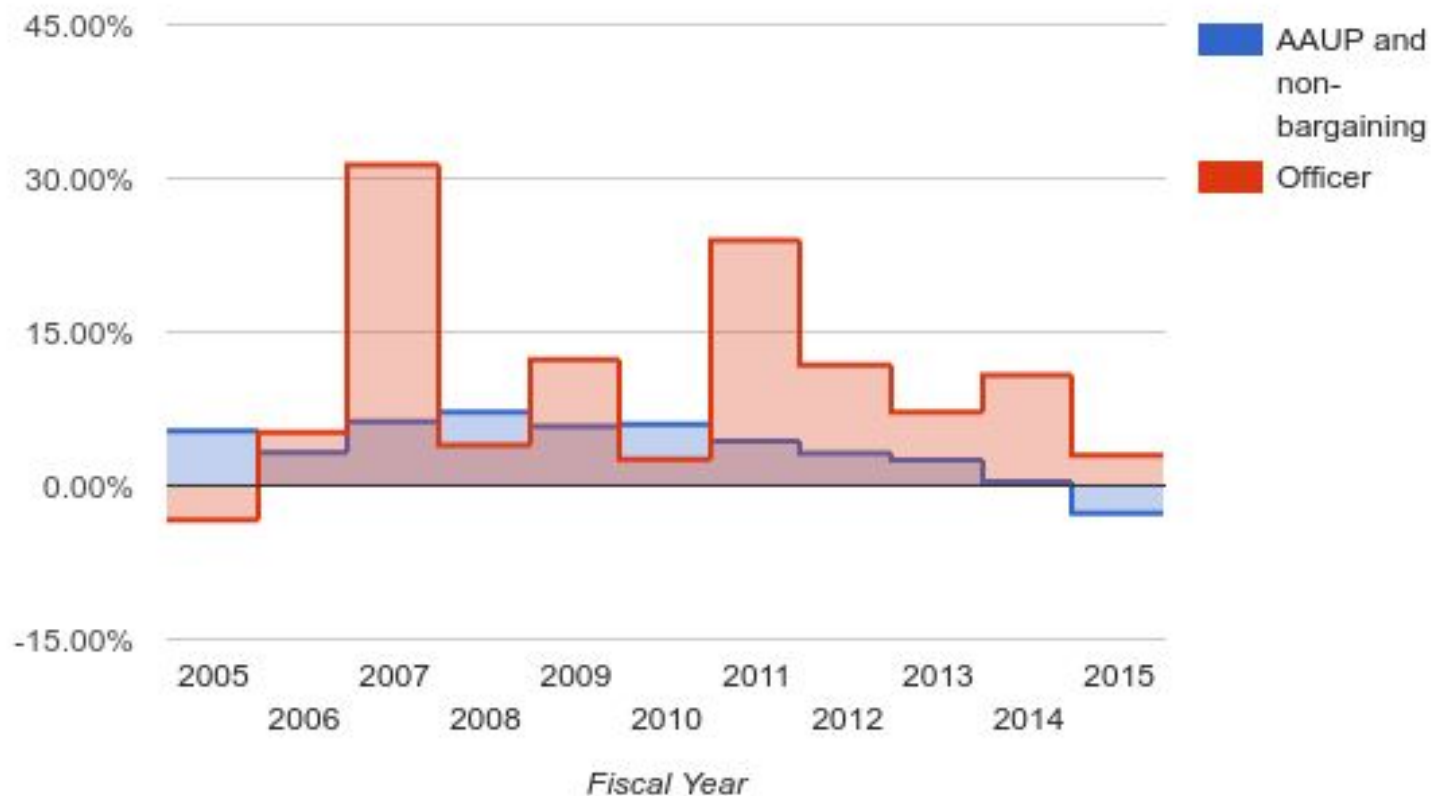
	2017	2018	2019	2020	2021	2022
Retirees Previous Year	8	3	5	20	0	0
Not in Wage Pool	8	11	16	36	36	36
Continuing (Annual) Savings	\$1.20	\$1.72	\$2.68	\$6.12	\$6.12	\$6.12

*Savings in Millions

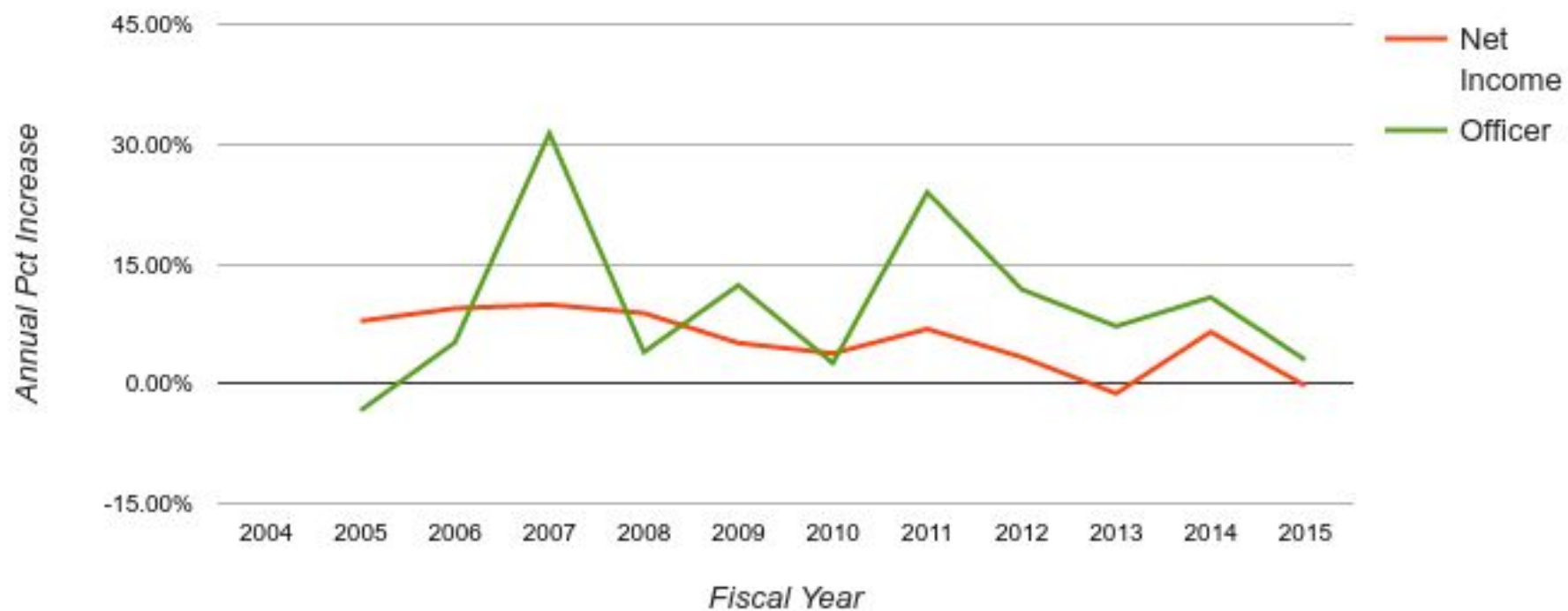
Rider Gross Income Trend



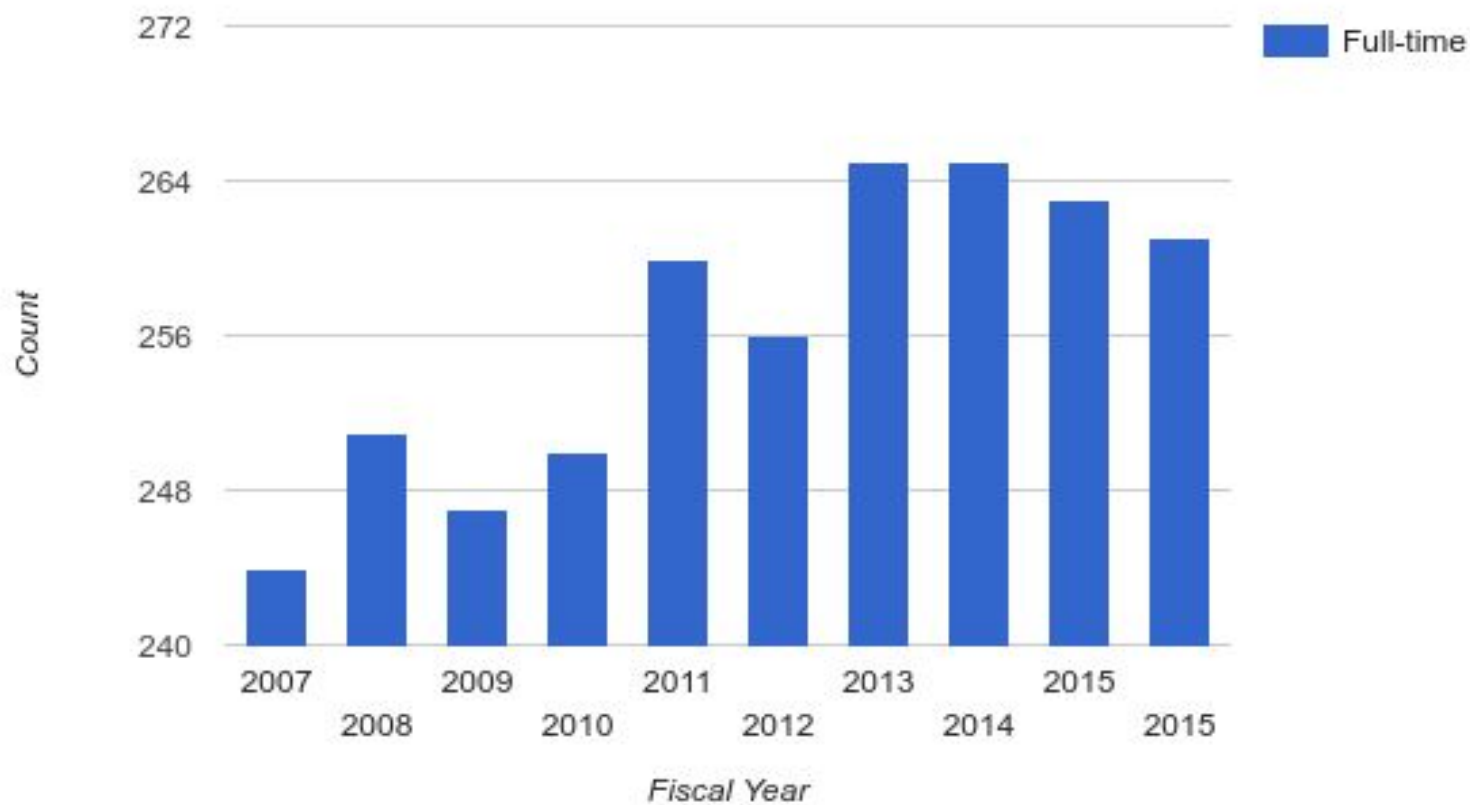
AAUP and non-bargaining Pay vs Officer Pay Increases (Decreases)



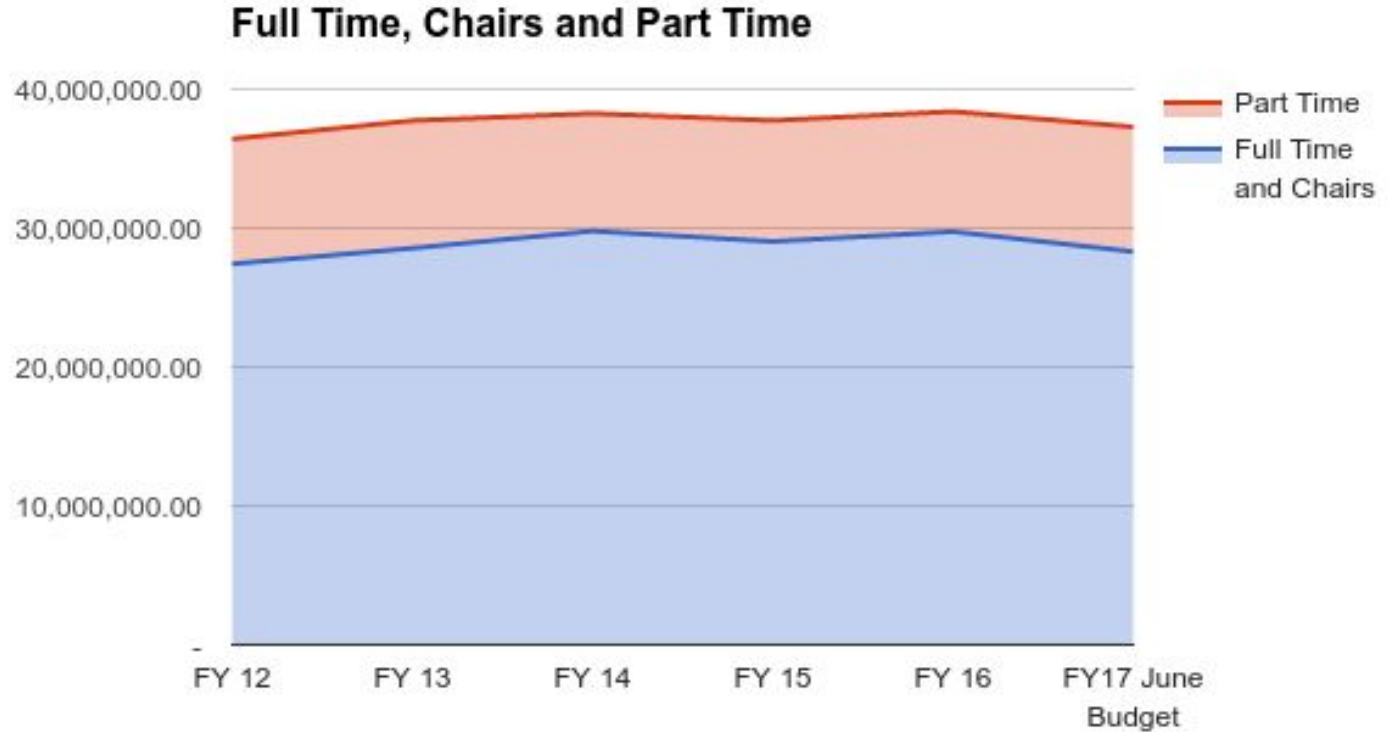
Officer Pay and Net Income



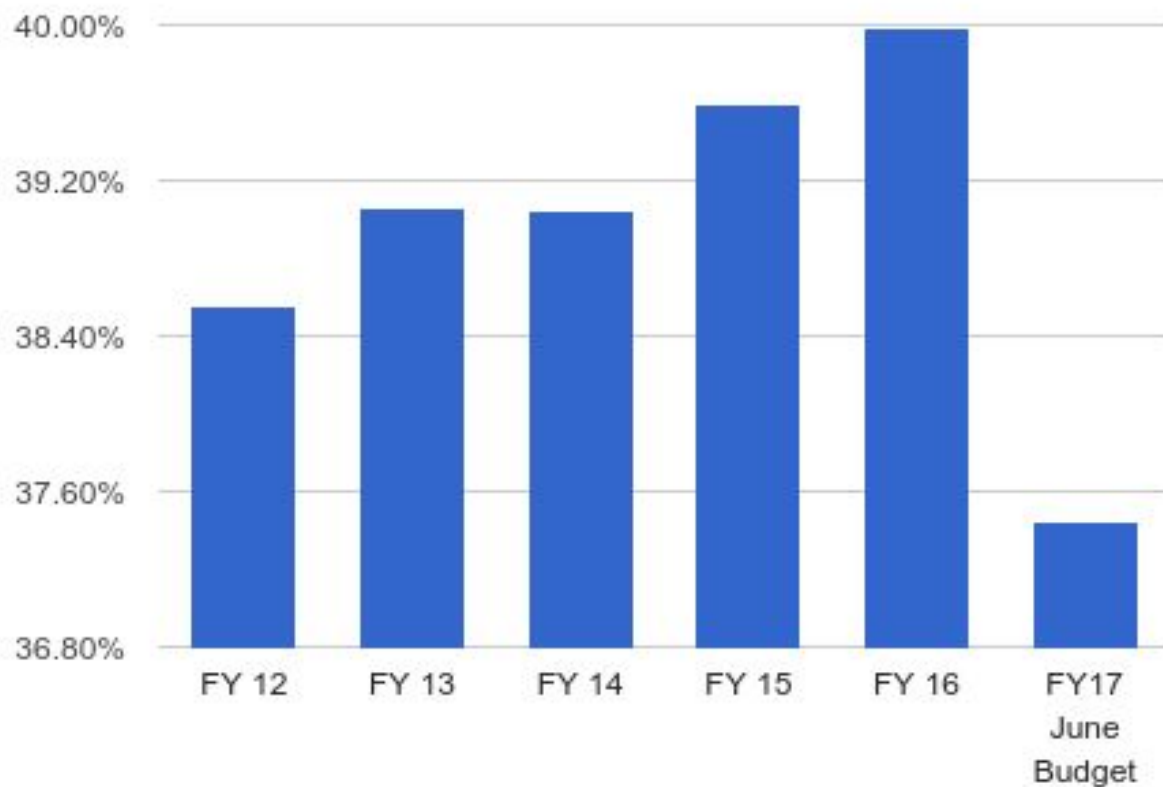
Full-time Faculty Headcount



Rider Labor Costs



AAUP Salary as Pct of Total Salary and Benefits



Comparisons

- AAUP labor costs have grown 7.8% percent between FY 2012 and FY 2016, an approximate gain of 1.5 % per year, roughly equal to the rate of inflation during that time period
- In the period between FY 2012 and FY 2014, Rider officer pay cost ('Officer Compensation' on the IRS 990s) increased 18.7%
- In the time period between 2004 and 2013, 'Officer Compensation' (from the IRS 990s) grew 95%, compared to a 45% growth for non-officer salaries in this same time period.

Comparisons

- Rider's current full time faculty headcount is below 2012 levels
- Faculty labor cost is at 2013 levels and based on planned retirements, will be smaller in FY 2017
- As a percentage of the total university labor costs, AAUP faculty labor costs are 37.9 % of the total labor costs for the University in FY 2016. This is below the FY 2012 level of 38.55%