

Manufacturing Scarcity

A Scarlet Story in Seven Slides

Presented by

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SAS Emergency Faculty Meeting

15 October 2020

Rutgers, The State University of New Jersey
 Statements of Revenues, Expenses, and Changes in Net Assets
 For the Years Ended June 30,

Rutgers University only ^^									
	2012	2013	2014	2015	2016	2017	2018	2019	
	As Reported	As Reported	As Reported	Before GASB 68 & 75 Adjustments	Before GASB 68 & 75 Adjustments	Before GASB 68 & 75 Adjustments	Before GASB 68 & 75 Adjustments	Before GASB 68 & 75 Adjustments	Before GASB 68 & 75 Adjustments
OPERATING REVENUES:									
Student Tuition and Fees (net of scholarship)	\$ 645,328	\$ 670,592	\$ 820,229	\$ 863,051	\$ 905,762	\$ 930,727	\$ 965,993	\$ 1,017,782	
Federal Appropriations	-	-	-	-	-	-	-	-	
Federal Grants and Contracts	247,532	225,195	311,766	302,504	301,680	284,458	381,847	388,960	
State Contracts	50,695	50,268	147,226	165,153	153,793	139,189	121,705	111,372	
Nongovernmental Grants & Contracts	63,632	70,022	120,703	117,210	119,725	179,049	104,874	81,512	
Auxiliary Enterprises (net of scholarship)	280,104	273,020	291,460	306,260	317,429	282,384	248,469	256,580	
Net Patient Service Revenues	-	-	487,578	518,019	533,932	473,050	232,591	256,247	
Health Service Contract Revenues	-	-	-	-	-	238,117	549,432	615,229	
Other Operating Revenues	60,970	68,335	126,880	130,439	163,661	148,886	126,729	150,432	
Total Operating Revenues	1,328,281	1,357,432	2,305,842	2,402,636	2,495,982	2,675,880	2,731,640	2,878,114	
OPERATING EXPENSES:									
Salaries and Wages	-	-	-	-	-	2,000,064	2,053,071	2,144,603	
Fringe Benefits	-	-	-	-	-	622,375	611,139	661,258	
Supplies and Services	-	-	-	-	-	788,344	913,592	947,730	
Grant Aid to Students	-	-	-	-	-	70,590	94,858	94,801	
Instruction	686,444	721,258	849,438	883,213	914,508	-	-	-	
Sponsored Research	221,980	228,936	358,231	355,769	348,052	-	-	-	
Other Separately Budgeted Research	74,255	84,698	76,467	98,331	105,169	-	-	-	
Other Sponsored Programs	88,827	82,895	87,977	206,779	196,682	-	-	-	
Extension and Public Service	39,286	41,253	146,128	50,395	51,595	-	-	-	
Libraries	39,464	40,694	-	-	-	-	-	-	
Academic Support	-	-	123,342	125,477	129,483	-	-	-	
Student Services	86,156	90,411	107,332	93,050	105,216	-	-	-	
Operations and Maintenance of Plant	139,368	142,057	207,167	205,281	216,132	-	-	-	
General Administration and Institutional	116,691	133,971	260,811	243,608	264,165	-	-	-	
Scholarships and Fellowships	45,657	42,189	52,517	54,201	58,596	-	-	-	
Depreciation	104,393	97,643	147,629	152,525	151,254	184,782	180,969	181,337	
Patient Care Services	-	-	613,492	653,446	684,222	-	-	-	
Auxiliary Enterprises	243,007	278,453	292,991	288,869	288,680	-	-	-	
Other Operating Expenses	647	934	494	784	398	-	-	-	
Adjustment for GASB 68	-	-	-	(67,973)	(95,834)	-	-	-	
Distributions to Rutgers, The State University of New Jersey	-	-	-	-	-	-	-	-	
Total Operating Expenses	1,886,175	1,985,392	3,324,016	3,343,755	3,418,318	3,668,155	3,853,629	4,029,729	
Operating Loss	(557,914)	(627,960)	(1,018,174)	(941,119)	(922,336)	(990,295)	(1,121,989)	(1,151,615)	
NON-OPERATING REVENUES/ (EXPENSES):									
State Appropriations	262,360	262,760	455,188	455,194	439,930	435,175	428,800	435,790	
State Paid Fringe Benefits	166,967	170,141	322,205	326,690	335,736	372,336	385,111	443,841	
Federal Appropriations	8,504	9,207	8,463	7,346	7,429	6,371	6,592	7,061	
Federal Student Aid	73,249	72,179	77,633	81,774	83,038	86,710	92,387	99,874	
State Student Aid	86,761	93,936	96,471	106,933	105,587	106,837	121,739	125,104	
Contributions	28,535	25,713	40,625	52,416	51,367	32,560	37,723	150,410	
Endowment and Investment Income (net of investment management fees)	15,851	12,428	15,678	23,287	23,539	34,349	44,820	48,297	
Net Increase / (Decrease) in Fair Value of	(11,805)	62,498	102,931	24,212	(4,159)	118,046	84,043	57,007	
Interest on Capital Asset Related Debt	(41,140)	(52,551)	(83,053)	(80,214)	(83,866)	(88,010)	(83,872)	(90,095)	
Loss on Disposal of Capital Assets	(740)	(854)	(1,539)	(928)	(206)	(1,807)	(1,018)	(2,960)	
Other Non-operating (Expenses) / Revenues	5,806	6,446	10,836	5,297	1,386	(60,616)	9,315	(8,950)	
Total Non-Operating Revenues	594,348	661,903	1,045,438	1,002,007	959,781	1,041,951	1,125,840	1,265,379	
Income/(Loss) before Other Revenues	36,434	33,943	27,264	60,888	37,445	51,656	3,851	113,764	
Capital Appropriations	-	-	-	-	-	-	-	-	
Capital Grants and Gifts	8,371	7,125	13,221	112,994	124,702	101,484	88,262	51,693	
Additions to Permanent Endowments	16,308	27,857	27,756	20,721	34,709	27,573	32,926	24,385	
Increase/(Decrease) in Net Position	61,113	68,925	68,241	194,603	196,856	180,713	105,059	189,842	

Designated Funds 30% - Funds held for financial aid, strategic initiatives, multi-year projects and unexpected expenses, such as increases in fringe benefits costs, reductions in state support, etc.

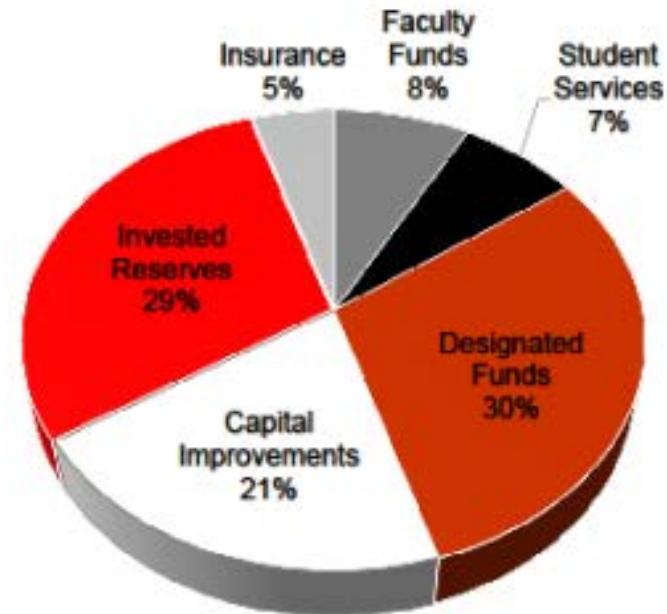
Invested Reserves 29% - Includes BOG and BOT reserves, student merit aid reserves, reserves held by schools/centers/departments for strategic initiatives, etc.

Capital Improvement Funds 21% - Funding for deferred maintenance and construction projects in process, such as ongoing residence hall renovations.

Faculty Funds 8% - Funds committed to individual faculty members to support research initiatives.

Student Services 7% - Funds held by student service areas such as student and recreation centers and student health, both for strategic initiatives and to be prepared for unexpected expenses.

Insurance Funds 5% - Support of the University's self-insurance program.

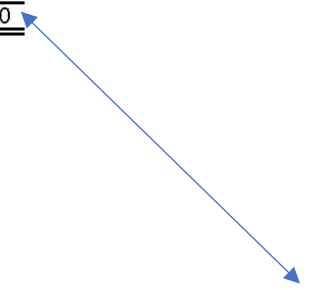


**Net of GASB 68 Adjustment. From Rutgers' 2016-2017 Financial Report, page 7, Management Discussion and Analysis (unaudited)*

Rutgers, The State University of New Jersey
Office of the University Controller
Summary of Unrestricted Net Position by Campus as of June 30, 2019 Audited Financial Statements

Designation	New Brunswick	RBHS	Newark	Camden	Central	Total
Unrestricted Endowment	\$ 119,956,733	\$ 48,580,846	\$ 14,420,633	\$ 114,741	\$ 102,534,521	\$ 285,607,474
Unrestricted Operations	\$ 140,348,205	\$ 24,274,216	\$ 44,860,235	\$ (69,475,986)	\$ 75,612,203	\$ 215,618,873
Unrestricted Faculty Funds	\$ 55,933,535	\$ 7,971,038	\$ 5,401,043	\$ 1,365,410	\$ 8,694,262	\$ 79,365,288
Student Funds	\$ -	\$ 800,423	\$ -	\$ -	\$ 2,064,699	\$ 2,865,122
Unrestricted Capital Projects	\$ 80,714,166	\$ 88,628,895	\$ 10,947,270	\$ 1,252,227	\$ (181,883,595)	\$ (341,037)
Total	<u>\$ 396,952,639</u>	<u>\$ 170,255,418</u>	<u>\$ 75,629,181</u>	<u>\$ (66,743,608)</u>	<u>\$ 7,022,090</u>	<u>\$ 583,115,720</u>

Unrestricted Endowment - Endowment accounts that are either Board of Governors or management designated funds
Unrestricted Operations - Unrestricted designated funds that represent general university operating funds
Unrestricted Faculty Funds - Faculty research funds, funds designated for academic purposes, and faculty startup funds
Student Funds - Student Notes Receivables for Federal Perkins, Health Profession and institutional loan programs
Unrestricted Capital Projects - Unrestricted management designated plant funds reserved for capital projects



Rutgers, The State University of New Jersey
Office of the University Controller
Summary of Unrestricted Net Position by Campus as of June 30, 2020 (data updated through September 8, 2020)

Designation	New Brunswick	RBHS	Newark	Camden	Central	Total
Unrestricted Endowment	\$ 124,111,941	\$ 48,393,390	\$ 13,775,887	\$ 147,418	\$ 106,419,760	\$ 292,848,396
Unrestricted Operations	\$ 103,523,891	\$ (2,482,523)	\$ 41,843,024	\$ (99,929,921)	\$ 142,122,659 *	\$ 185,077,129
Unrestricted Faculty Funds	\$ 56,520,860	\$ 37,715,549	\$ 7,858,911	\$ 1,400,877	\$ 9,698,412	\$ 113,194,609
Student Funds	\$ -	\$ 800,423	\$ -	-	\$ 2,060,647	\$ 2,861,070
Unrestricted Capital Projects	\$ 176,887,150	\$ 82,261,948	\$ 11,292,924	\$ 845,283	\$ (99,714,509)	\$ 171,572,796
Total	\$ 461,043,841	\$ 166,688,786	\$ 74,770,746	\$ (97,536,343)	\$ 160,586,970	\$ 765,554,000

Note: This data is what has been recorded through 9/8/20. The University continues to complete its FY20 financial statements. These amounts are unaudited and are NOT considered final.

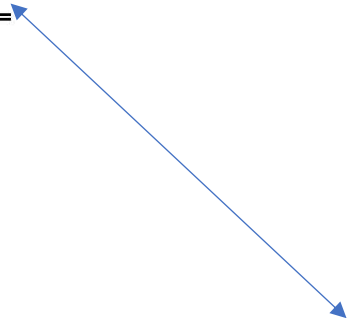
Unrestricted Endowment - Endowment accounts that are either Board of Governors or management designated funds

Unrestricted Operations - Unrestricted designated funds that represent general university operating funds. (* The \$142 million in Unrestricted Operations in Central includes \$124 million of Century Bond proceeds which have been borrowed but not yet allocated for capital projects.)

Unrestricted Faculty Funds - Faculty research funds, funds designated for academic purposes, and faculty startup funds

Student Funds - Student Notes Receivables for Federal Perkins, Health Profession and institutional loan programs

Unrestricted Capital Projects - Unrestricted management designated plant funds reserved for capital projects



RUTGERS UNIVERSITY DETAILED FY 2021 BUDGET COMPARISON

Dollars in thousands

	2020 Budget	6/1/2020 Version 1	6/16/2020 Version 2	9/25/2020 Version 3
Other Transfers				
Plant Fund & Non Operating Transfers	(35,235)	5,861	5,861	5,423
Plant Fund & Non Operating Transfers	(35,235)	-	5,861	5,423
Use of Prior Year Net Assets	34,384	32,715	32,715	31,002
Use of Prior Year Net Assets	34,384	-	32,715	31,002
Change in Fund Balance Operations	-	(204,481)	(153,631)	(97,053)



FY 2020 BUDGET - FINANCIAL SUMMARY
NB SAS School of Arts & Sciences

	FY 2019 Budget	FY 2020 Budget	\$ Change	% Change
Dollars in thousands				
Revenue (Sources of Funds)				
Student Tuition and Fees	319,227	323,009	3,782	1.18%
Federal and State Student Aid	0	5,014	5,014	n/a
Federal Appropriation	0	0	0	n/a
Allocated University Support	32,240	35,771	3,531	10.95%
NJ State Appropriations	0	0	0	n/a
State Paid Fringe	55,528	57,031	1,504	2.71%
Grants and Contracts	35,289	37,568	2,279	6.46%
Facilities and Administrative Recoveries	10,553	11,275	722	6.84%
Gift and Contribution Revenue	2,840	3,015	176	6.19%
Endowment and Investment Income	5,516	5,458	(58)	-1.06%
Healthcare Revenue	0	0	0	n/a
Affiliated and Housestaff	0	0	0	n/a
Other Sources Revenue	2,105	3,503	1,398	66.41%
Auxiliary Revenue	0	0	0	n/a
Total Revenue	463,298	481,645	18,347	3.96%
Expense (Uses of Funds)				
Salaries and Wages	211,491	225,948	14,457	6.84%
Fringe Benefits	62,513	65,324	2,810	4.50%
Total Compensation	274,004	291,272	17,267	6.30%
Supplies and Other	8,304	8,006	(298)	-3.59%
Scholarships and Fellowships	30,686	33,367	2,682	8.74%
Travel	4,543	4,947	403	8.87%
Plant Operation and Maintenance	579	744	165	28.55%
Debt Service - Principal and Interest	0	0	0	n/a
Other Operating Expense	22,661	24,568	1,906	8.41%
Professional Services	10,279	11,013	734	7.14%
Provision for Initiatives and Contingencies	4,503	2,543	(1,960)	-43.53%
Total Expense	355,560	376,460	20,900	5.88%
Transfers	17,992	21,996	4,004	22.25%
Cost Pool Transfers	(120,830)	(122,180)	(1,350)	-1.12%
Change in Fund Balance	4,899	5,000	101	2.06%
Plant Fund Transfers ¹	(6,565)	(5,000)	1,565	23.84%
Use of Prior Year Net Assets	1,666	0	(1,666)	-100.00%
Change in Fund Balance Operations	0	0	0	n/a

School of Arts and Sciences (NB)

Decanal Haircut, Phase One

Dean	Gross pay (\$1000s)	“cost reduction... without causing undue harm to operations”*	use of savings to preserve operations
Peter March	407	177+33	3 staff positions + 3 PTL positions + 6 courses
Jean Baum	424	177+44	3 staff positions + 4 PTL positions + 8 courses
TOTAL	831	431	6 staff positions + 7 PTL positions + 14 courses

*Letter from Executive Dean Peter March to SAS chairs and directors, 30 September 2020, p. 1.