CONTINUING UB’S MOMENTUM

Annual Resource Planning Process Kick-Off
December 9\textsuperscript{th}, 2021
Building on the existing strong foundation of academic excellence, knowledge and understanding, the University at Buffalo will advance into the nation's **Top 25 public research universities**, thereby expanding the scope of our reach and strengthening UB's world-wide impact.

**UB’s Top 25 Vision**
What Characterizes Top 25 Public Research Universities?

- Best in nation academic departments and programs
- Faculty competing at highest levels, recognized for their excellence
- Quality students who succeed at their institution and beyond
- Faculty, staff and students are reflective of changing demographics
- Welcoming, inclusive and modern campus
- Strong alumni/friend engagement
- Strategic use of resources – philanthropy, research funding, enrollment and state aid
- Innovation and entrepreneurship contributing to regional and national economy
- Global in reach and impact
Institutional Priorities in our Push to Top 25

1. Student Success and Retention

2. Disciplinary Excellence
   1. Targeted investments to improve outcomes/reputation
   2. Retention of key faculty
   3. Raising faculty salaries
   4. Improving PhD quality and outcomes
   5. Infrastructure needs

3. Diversity & Inclusion
Undergraduate Retention and Degree Completion

- Evaluate and implement recommendations from recent Retention Task Force
- Support for unit based strategies to improve retention and time to degree

Retention and Graduation Rates

- Retention: 87% (2007), 75% (2015)
- 4 Yr Grad: 39% (2007), 51% (2015)
- 6 Yr Grad: 87% (2007), 75% (2015)

First Gen Rates

- Retention: 83% (2015), 79% (2020)
- Graduation: 61% (2015), 51% (2020)
- 4 Yr Grad: 43% (2015), 49% (2020)
- 6 Yr Grad: 60% (2015), 64% (2020)

URM Rates

- Retention: 83% (2015), 78% (2020)
- Graduation: 61% (2015), 51% (2020)
- 4 Yr Grad: 44% (2015), 49% (2020)
- 6 Yr Grad: 60% (2015), 64% (2020)
Observations on Current Disciplinary Strengths

- Many points of pride for UB in a diversity of disciplines
- Many, but not all, represent important niche areas of study
- Many, but not all, represent smaller programs
- Generally, there is an absence of larger programs that may play a critical role in driving overall university rankings
Engine of Disciplinary Strength and Recognition

- Faculty are the engines of program success and reputation
- A critical mass of excellent faculty is needed for a program to be highly recognized
- Faculty and the students they attract need appropriate infrastructure to pursue their scholarship/research
Critical Programs Need to be Elevated to Achieve Higher UB Recognition

• For UB to achieve its aspirations, we need to have strength and be recognized in programs critical to future societal impact.
• Programs could be departments or targeted collaborations between departments.
• UB needs to make well informed concentrated investments in selected programs rather than investing broadly across the larger landscape.
• Requires a focused strategy and partnership between units and center.
• Will require investments in academic and academic support services.
• Clear academic prioritization will be critical to successful investment requests.
PhD Education is Critical to Disciplinary Strength

• Focus on improving PhD student quality
• Focus on PhD student experience, completion, time to degree and career outcomes
• Evaluate long term enrollment strategies for PhD programs across the university
• Continue to improve diversity of PhD programs
Maintain and Amplify Focus on Diversity/Inclusion

- Pursue implementation of President’s Advisory Council on Race recommendations
- Consider expanding CDI Distinguished Visiting Scholars Program to other schools
- Continue targeted recruitment of leading scholars from underrepresented backgrounds (URM)
- Visiting Future Faculty (VITAL) program
- Strengthen efforts to retain URM faculty
Recent Trends in URM Faculty Hiring

%URM Ladder Faculty

%URM Non-ladder Faculty
Current Enrollment Plan

- **Undergraduate Target** – 20,000 to 20,500
  - 4200 to 4250 freshman
  - return to pre-pandemic retention and improve further
  - maintain transfer population

- **Graduate Target** – 10,000+
  - PhD – set program quality and size based on PhD Excellence discussion
  - Professional – enhance quality and increase enrollment where appropriate
  - Masters – opportunities to enhance existing and create new professional master’s programs, both online and in-person
Professional Master’s Programs

• Focus on supporting a select number of high volume professional masters programs

• Programs should have clear credentials and positive employment outcomes.

• Programs should have sustainable enrollments and net revenue generation that can be deployed to enhance research excellence.
SUNY State Budget Request Overview

NYS projecting a $14.7B Budget Surplus for 2021/22

SUNY’s Message
• SUNY cannot be successful & serve its students if it does not have sufficient resources
• The support provided to SUNY has not kept up with K-12
• The support provided to SUNY, as a percentage of the General Fund, is rapidly declining

Potential Ask
• A sustained, multi-year increase in direct state tax support to SUNY
• Robust Capital Investment to refresh / prepare SUNY to serve students
### SUNY Enrollment Trends

**SUNY Total**
- 2yr Δ -10.9%
- 10yr Δ -20.9%

**State-Op**
- 2yr Δ -5.8%
- 10yr Δ -4.9%

**Comm. Col.**
- 2yr Δ -16.8%
- 10yr Δ -35.2%

Only 2 SUNY campuses have seen enrollment growth over past two years: **UB and Downstate**

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### University Centers

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**2yr Δ -0.3%**

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**2yr Δ -11.7%**

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### Technology

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**2yr Δ -12.0%**

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### Other Doctoral

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**2yr Δ +1.3%**

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### Int’l 2yr Δ

- **UG**: -20%
- **Grad**: -5%

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### NYS 2yr Δ

- **UG**: -8%
- **Grad**: +6%

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### OOS 2yr Δ

- **UG**: +1%
- **Grad**: +4%
• Change in Cash Balances from 7/1/2019 – 6/30/2021

- Broken down by HEERF Institutional Funds Received and non-HEERF Funds
What We Are Advocating

- Importance of AAU & flagship status and continuing path to Top 25
- Continuation of NYSUNY2020 tuition increases and Maintenance of Effort agreements
- Funding for negotiated salary increases
- Levels of State/tuition funding per student relative to peers
- Tuition rates relative to peers (not in current election year)
- Differential tuition (not in current election year)
- Procurement and capital project delivery reforms
Critical Maintenance Funding from NYS
(Updated 12/3/21)

- **2004 – 2012
  AVG. = $57.6 M**

- **2013 - 2016
  AVG. = $23.1 M**

- **2017 - 2021
  TARGET
  BASE + LUMP = $55.4 M**

- **2017 - 2020
  AVG. = $42.5 M**

- **2021
  APPROVED = $83.3 M**
UB’S FINANCIAL CAPACITY
Reputational Rank

Strategic Faculty Hiring & Retention

Faculty Recognition

Student Retention

Disciplinary Excellence

Federally Funded R&D

Key Outcomes

Base Budgets

Strategic Investments

Revenue Opportunities & Cost Savings
Multi Year Financial Plan Major Assumptions

Increases to the Financial Plan

- Enrollment Growth- $20M (~$6M net after unit shares)
- College Fee Increase- $3M
- RF Investment Income - $31M (onetime 21/22)
- Reduced TAP Payment - $10M (by 2024/25)
Multi Year Financial Plan (MYFP) Projected Balances ($ in Millions)

- 21/22 Ending Balance: $195
- 22/23 Change: -$53
- 23/24 Change: $27
- 24/25 Change: $28
- 24/25 Ending Balance: $197

Note: Balances Exclude $40M University Reserves
Unit Balances By Funding Source

37% of Operating Revenues

47% of Operating Revenues

Source: SIRI Strategic Financial Dashboard
Excludes Financial Plan and Central University balances
Unit Available UBF Fund Balances by Funding Purposes

Total: $110.4 Million

- Residence Halls Debt Covenant 35%
- Unit/Department Discretion 33%
- Other 14%
- Scholarship/Fellowships 10%
- Capital/Capital Improvements 5%
- Chair/Professorships 3%

Source UBF December 3, 2021

Amounts available on June 30, 2021
PLANNING GUIDANCE
Budget Model: Guiding Principles

STRATEGIC
• We align incentives with our mission and with strategic behaviors

PREDICTABILITY
• We build models that provide reliable foundations for planning

FLEXIBILITY
• We build planning models that anticipate and are responsive to changes in the economic environment; we incorporate appropriate risk management strategies

INTEGRATION
• We consider the university as a whole and make intentional connections between varying types of organizational needs and priorities

STEWARDSHIP
• We exercise prudence in managing our resources, diversify revenues to promote resilience, maintain appropriate reserves, and reward efficiency and effectiveness
# UB Financial Planning Assumptions 2022/23

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<th>Area</th>
<th>Assumption</th>
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| Enrollment                  | • Overall enrollment remains flat  
                              | • Focus on academic quality  
                              | • Targeted growth in professional masters programs |
| Tuition and Fee Rates       | • Continue to be flat  
                              | • UB will advocate for resident UG increases  
                              | • Will work with units for advocating any increases to specialized/professional tuition rates and fees where appropriate |
| Negotiated Salary Increases | • Units should continue to plan to fund beyond current contracts expiring  
                              | • Current UUP contract expires June 2022  
                              | • UB will continue to advocate for state funding to cover negotiated salary increases. |
| Reserves                    | • Identify the appropriate level of reserves needed across units and departments  
                              | • Balance the need to mitigate risk with reserves versus opportunity cost of not leveraging existing resources |
2021/22 ARPP Investments

PERCENTAGE OF INVESTMENTS MADE
BASED ON 3 YEAR TOTAL

- $5M or greater, 20%
- Between $1M & $5M, 35%
- Between $250k & $500k, 21%
- Between $500k & $1M, 12%
- Less than $250k, 12%

Strategic Planning...

- Be strategic with investment proposals
- Address university priorities
- Think big & identify transformative initiatives
- Leverage both unit and central balances
LOOKING FORWARD
Future Meeting Topics

• **Reserve Policies** – Implement unit policy that supports the financial health and integrity of the university and enables pursuit of its mission and strategic goals.

• **University Budget Model** – Review Summer, Winter, Student Success and Research components to incentivize outcomes that support our strategic goals.

• **Work Force Planning & ABC Insights Analysis** – Building a Shared Services model to meet our long term goals.

• **Salary Recovery Policies** – Implement a policy that supports more strategic utilization and better alignment of sources and uses.

• **Financial Transparency and Communications**
Questions
APPENDIX
# NYS CAPITAL FUNDING

## UB Capital Budget

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<th>2018</th>
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<td>CM - Restricted to Existing Facilities</td>
<td>$17,756,000</td>
<td>$41,473,000</td>
<td>$19,484,000</td>
<td>$19,125,000</td>
<td>$19,338,000</td>
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<tr>
<td>Allocation to Campus – Unrestricted</td>
<td>$11,575,000</td>
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<td>High Priority CM Lump</td>
<td>$16,098,230</td>
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<td>$8,100,000</td>
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<td>Total Funding</td>
<td>$45,429,230</td>
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<td>$27,584,000</td>
<td>$46,313,969</td>
<td>$83,288,000</td>
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* 2021 CM Lump Funding Approved (Current FY)

- CM – Critical Maintenance (Existing Facilities)
NYS CAPITAL FUNDING

Critical Maintenance (SUBOA Calculated) - $19,338,000

- Annual CM Projects
  - Minor Critical Maintenance
  - Masonry Restoration
  - Roadways and Sidewalks
  - Building Infrastructure Assessments
  - Safety and Code Improvements
  - Mechanical Infrastructure Renewal
  - Electrical Infrastructure Renewal
  - Shell & Structural Renewal
  - Site and Utilities Renewal
  - IT Infrastructure Renewal
- Alumni - Upgrade Electrical Service Equipment
- North Campus - Rehab Elevators Ph 2 (Capen, Furnas, NSC)
- Health Sciences Complex Backfill Phase 2 (BRB)
- Replace Various Roofs (Gateway, Cooke, Hochstetter, Goodyear Dining)
- North Chemical Storage – Upgrade HVAC & Safety Interlock
- Slee Music Hall – Replace AHU-3 and Reheats
- Crofts – Renovate First Floor
NYS CAPITAL FUNDING

SUCF LUMP Funding (Discretionary) - $63,950,000

- Rehab Campus Toilet Rooms for Accessibility Ph. 1 (NSC and Student Union)
- Upgrade North Campus Chemical Storage HVAC & Safety Interlock
- Replace Various Emergency Generators – Design
- North Campus - Rehab Elevators Ph 2 (Capen, Furnas, NSC) - Construction
- Health Sciences Backfill Ph 3 - Renovate Cary, Farber & Sherman Annex - Design
- Renovate Foster Hall – Construction
- Restore Lockwood Exterior Envelope and Plaza – Design
- Replace Emergency Generators - Cooke & Hochstetter
- Replace NSC Air Handling Equipment and Boilers - Design