



Board of Governors Quarterly Meeting

Thursday, October 11, 2018

Indiana University of Pennsylvania
Kovalchick Convention and Athletic Complex
711 Pratt Drive
Indiana, PA 15705

9:00 a.m.

Note: The Commission of Presidents will meet from 8:00 a.m. to 9:00 a.m.

8:00 a.m. BOG/Chancellor - Breakfast with IUP Trustees (non-public session)

9:00 a.m. Board of Governors Meeting (PUBLIC SESSION)

1. Call to Order / Roll Call of Board Members
2. Pledge of Allegiance
3. Chair Report
4. Public Comments
5. Chancellor Report
6. IUP – Host Campus Presentation and Student Spotlight
7. Consent Agenda

(NOTE: The items within the Consent Agenda will be acted upon in a single motion. If any Board member believes that an item requires discussion, that Board member may request the item be removed from the Consent Agenda prior to the vote. The exempted item then moves to the regular agenda, and the Board may take action as it deems appropriate. The remainder of the Consent Agenda will be acted upon in a single vote.)

- A. Minutes (sent separately): July 12, 2018, and August 1, 2018, meetings.
 - B. Student Success Committee actions from September 28, 2018
 - 1. Policy Reform for System Redesign – Policy Revision (Page 3)
 - a. 2002-04-A: *Academic Calendar* (Page 4)
 - C. Approval of Standing Committee Assignments (Page 5)
- 8. System Redesign – Phase II (INFORMATION)
 - 9. Strategies for Affordability – Policy Revision and Rescission (ACTION) (Page 6)
 - 10. Fiscal Year 2019/20 Appropriation Request (ACTION) (Page 26)
 - 11. Fiscal Year 2018/19 Capital Spending Plan and Capital Budget Authorization Request (ACTION) (Page 55)
 - 12. Resolutions
 - 13. New Business
 - 14. Adjournment

(Executive session will be called as needed)

Board Members: Cynthia D. Shapira (*Chair*), Senator Ryan P. Aument, Audrey F. Bronson, Joar F. Dahn, Secretary Sarah E. Galbally (Governor Wolf’s designee), Representative Michael K. Hanna, Donald E. Houser Jr., Rodney Kaplan, Jr., David M. Maser (*Vice Chair*), Barbara McIlvaine Smith, Marian Moskowitz, Thomas S. Muller, Secretary of Education Pedro A. Rivera, Senator Judith L. Schwank, Harold C. Shields, Samuel H. Smith (*Vice Chair*), Brian H. Swatt, Representative Mike Turzai, Neil R. Weaver, Governor Thomas W. Wolf, and Janet L. Yeomans.

For further information, contact Randy A. Goin Jr. at (717) 720-4010.

Board of Governors Meeting

October 11, 2018

SUBJECT: Policy Reform for System Redesign: Policy Revision (ACTION)

UNIVERSITIES AFFECTED: ALL

BACKGROUND: To ensure flexibility for universities in meeting the needs of their students and their region, proposed revisions to the Academic Calendar are recommended to the Board of Governors for review and consideration.

Presently, universities must begin fall classes in the same week with flexibility as to which day of that week. Universities requested additional flexibility by expanding their options for the first class within an identified two-week period each fall. Review of this request included consultation with university constituencies and with the Pennsylvania State Athletic Conference.

MOTION: That the Board of Governors approve the proposed revisions to the Board of Governors Policy 2002-04-A: *Academic Calendar*.

Supporting Documents Included: Board of Governors Policy 2002-04-A: *Academic Calendar*.

Other Supporting Documents Available: N/A

Reviewed by: Chief Academic Officers; Chief Student Affairs Officers; Chief Enrollment Management Officers; Council of Presidents; APSCUF State Meet and Discuss; and others through the System Redesign webpage

Prepared by: Peter H. Garland

Telephone: (717) 720-4010

Policy 2002-04-A: Academic Calendar

See Also: 24 P.S. §§ 20-2001A, et seq.

Adopted: July 11, 2002

Amended: January 26, 2017, October XX, 2018

A. All Universities in State System to Follow Same Academic Calendar Parameters:

Starting with fall semester 2018, all universities in ~~the~~ Pennsylvania's State System of Higher Education will adhere to commonly agreed upon academic calendar parameters. These parameters provide flexibility for each campus to serve students.

B. Academic Calendar Parameters:

- ~~There will be a common first week of the fall semester.~~ Each State System University may choose ~~their~~ the first day of ~~this week.~~ its academic calendar during a two-week period established by the Office of the Chancellor after consultation with the university presidents.
- There will be no less than three (3) weeks and no more than five (5) weeks between the fall and spring semesters.
- State System Universities will adhere to the number of instructional weeks per semester required by the applicable Collective Bbargaining Agreements (CBA).
- Academic calendars will deliver the equivalent of 70 instructional days during the fall and spring semesters. Final Exams are one additional calendar week (up to five [5] days) each semester.
- Each university calendar must address the contractual bargaining agreements and implications for minor and major holidays.
 - The ~~following~~ major holidays ~~in for~~ which campuses and the Office of the Chancellor are closed include: Martin Luther King Day, Memorial Day, ~~and~~ July 4th, Labor Day, Thanksgiving Day, Christmas Day, and New Year's Day.
 - The ~~following~~ minor holidays include: Presidents Day, Veterans Day, and Columbus Day. Each of the Universities, as well as the Office of the Chancellor, has the discretion to use minor holidays as they see fit.
- The State System and its universities have a common payroll system and as such, the Office of the Chancellor will establish a common payroll/administrative calendar for the academic year's pay dates that applies to all universities, regardless of the start or end date for each university's academic calendar.
- State System Universities will provide their academic calendars three (3) years in advance to the Office of the Chancellor to include fall, winter, spring, and summer terms.

C. Academic Calendar Parameters Established by Chancellor and University Presidents:

The chancellor, working with the University Presidents, establishes the academic calendar parameters. Exceptions to the start of the fall semester for extenuating circumstances may be granted by the Chancellor for a State System University after consultation with the University Presidents.

Board of Governors Meeting

October 11, 2018

SUBJECT: Standing Committee Assignments (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: The standing committee assignments must be updated to include all current assignments of Board members to the committees of the Board.

MOTION: That the Board of Governors approve the standing committee assignments as shown in the *Standing Committee Assignments* document distributed at the Quarterly Board meeting, effective October 11, 2018.

Supporting Documents Included: N/A

Other Supporting Documents Available: *Standing Committee Assignments*

Reviewed by: N/A

Prepared by: Randy A. Goin, Jr.

Telephone: (717) 720-4010

Board of Governors Meeting

October 11, 2018

SUBJECT: Strategies for Affordability—Policy Revision and Rescission (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: As part of its System Redesign effort, the Board of Governors established “leveraging university strengths” as one of its three key strategic priorities. Leveraging university strengths requires flexibility to recognize regional differences in cost and price of delivery of academic programs and more collaborative funding mechanisms. The Collaborative Pricing and Regional Affordability Task Group, established in December 2017, developed recommendations for flexibility to align and achieve regional affordability through strategic pricing efforts. Updates on the work of this task group were shared with the Board at its January, April, and July 2018 meetings.

The task group created a concept paper, *Pricing Strategies for Affordability*, which was reviewed by System leadership and posted to the System Redesign website on May 16, 2018, for review and comment by all stakeholders. The concepts in the paper informed the subsequent proposed revisions to Policy 1999-02-A: *Tuition*, which also was posted to the System Redesign website and shared widely for stakeholder review and comment.

The recommended revisions for the System’s tuition policy are based on the concept that State System universities will serve more Pennsylvanians if their pricing strategies are flexible and student-centered, recognizing differences in each university’s region, program offerings, and characteristics of the individual student—especially the student’s ability to pay. It recognizes the wide variety of pricing practices used across the nation in public higher education, including:

- Net price strategies to minimize financial barriers to student access and success.
- Net revenue strategies to serve the needs and best interests of each individual university and its region.
- Multiyear and timely pricing strategies to provide greater predictability for students’ financial planning and to better equip prospective students in their enrollment decisions.

This recommendation provides greater local responsibility and requires greater accountability in strategic pricing decisions. Upon acceptance of the recommended revisions to Policy 1999-02-A: *Tuition*, the following two Board policies will no longer be necessary and are recommended for rescission: 1984-08-A: *Board of Governors Scholars Program*; and 1996-01-A: *Sources of Funding for University Scholarships*.

MOTION: That the Board of Governors approve the following, effective immediately:

- a. Amendments to Policy 1999-02-A: *Tuition*, as attached.
- b. Rescission of Policy 1984-08-A: *Board of Governors Scholars Program*.
- c. Rescission of Policy 1996-01-A: *Sources of Funding for University Scholarships*.

Supporting Documents Included: Policy 1999-02-A: *Tuition* (with proposed revisions, marked-up version, and original version); 1984-08-A: *Board of Governors Scholars Program*; 1996-01-A: *Sources of Funding for University Scholarships*

Other Supporting Documents Available: *Pricing Strategies for Affordability Conceptual Framework* at <http://systemredesign.passhe.edu/>; materials from all Board meetings held in 2018

Reviewed by: Collaborative Pricing and Regional Affordability Task Group, university leadership, various constituency groups, all stakeholders through the System Redesign webpage; University Success Committee on July 2, 2018; Board of Governors on July 12, 2018

Prepared by: James S. Dillon

Telephone: (717) 720-4100



Policy with proposed revisions

PA State System of Higher Education Board of Governors

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POLICY 1999-02-A: TUITION

See Also:

Adopted: April 8, 1999

Amended: October 10, 2002, July 14, 2005, October 11, 2007, July 17, 2008, January 20, 2011, January 26, 2017, [and October 11, 2018](#)

A. Purpose

The Board of Governors (Board) has statutory authority to set tuition for Pennsylvania's State System of Higher Education (State System). This policy articulates the basic philosophy, objectives, and guidelines of the State System's tuition structure, providing a common understanding of the basis for establishing tuition for the State System.

This policy is intended to:

- Provide students access to high-value, relevant educational experiences that prepare them for pathways to successful lives and careers.
- Allow State System universities to plan, budget, and allocate resources over multiple years, ensuring their long-term stability and success.
- Keep tuition predictable, enabling students to plan for their educational expenses.
- Provide access to State System universities for a range of qualified students from all socioeconomic backgrounds.
- Recognize and support individual university missions, scope, and program array.

B. Philosophy and Objectives

The State System is responsible for and committed to ensuring that qualified Pennsylvania residents have access to State System universities and quality education at affordable prices. Because the students benefit from the education they receive, they have a responsibility to pay a reasonable share of the costs through tuition. Because Pennsylvania benefits from having an educated citizenry, the state also has a responsibility to bear a substantial portion of the costs through taxpayer support. The State System also has a responsibility to maximize the efficiency of its operations to minimize the cost to taxpayers and students.

Affordability has a different meaning for each individual based on their available financial resources and ability to pay. Student-centered tuition policies must include affordability strategies that focus on the student's ability to pay and net price to the student, with a result of aligning enrollment, aid to students, and net revenue. University-based pricing strategies recognize regional economic differences in costs, household income, cost of

living, and average buying power within the region. Such approaches allow each university the flexibility to become unique in its marketplace, ensuring an appropriate array of high-value academic programs, while reducing competition among State System universities. Affordability strategies allow universities to maximize their specific strengths and regional opportunities to better serve the citizenry of the Commonwealth.

C. Definitions

- **Basic Tuition Rate**—A tuition rate approved by the Board that is charged to students at universities that do not have a separately approved pricing strategy.
- **Graduate Student**—A student who holds at least a bachelor's or first professional degree and is enrolled at the graduate level, including nondegree students in graduate courses who may or may not be admitted to a graduate degree or certificate program.
- **In-State Student**—A student who is legally domiciled in Pennsylvania, as defined in Board of Governors Policy 1985-03, *Student Domicile Regulations*.
- **Institutional Aid**—University-funded financial assistance to a student for the purpose of undertaking for-credit course work, not to exceed the full cost of attendance less other grant awards. Sources include university restricted and unrestricted gifts, revenue from university endowments, and the university's general (or foregone) revenues; but exclude federal or state grant aid, private scholarships, affiliate scholarships, institutional matches for externally funded student aid grants, loans, tuition waivers as articulated in Board of Governors Policy 1983-18-A: *Waiver of Tuition and/or Fees*, tuition benefits for university employees or their spouses/dependents, or tuition exchange programs.
- **Net Price**—From the perspective of the student, the price the student must pay to the university. Net price is calculated as the student's tuition, fees, room and board, less institutional aid and all other grants, scholarships, and waivers received by the student.
- **Net Revenue**—Gross tuition and fee revenue less total institutional aid.
- **Out-of-State Student**—A student who is not legally domiciled in Pennsylvania, as defined in Board of Governors Policy 1985-03, *Student Domicile Regulations*.
- **Technology Tuition Fee**—A separate tuition fee established by the Board for rendering technology resources and services to enhance student learning experiences.
- **Tuition**—The basic fee established by the Board for rendering educational services, as enumerated in Act 188 of 1982. The technology tuition fee is a form of tuition.
- **Undergraduate Student**—A student in a bachelor's degree program, an associate's degree program, a vocational, technical, or certificate program below the baccalaureate level; or a nondegree-seeking student matriculated in a lower or upper division course.

D. Guidelines

To aid in recruiting and providing students and families with meaningful information on the cost of attending a State System university before the student needs to commit, both the Board, for tuition, and councils of trustees, for fees, shall approve rates as early as possible. Tuition rates will be set annually no later than April 30 for the upcoming two academic years. The tuition rate for the second year, based on the most current three-year average increase in the State System's basic tuition rate, will be set as tentative, with the opportunity to be adjusted no later than April 30 prior to the start of that academic year. This does not preclude the Board from adjusting rates at a later date due to unforeseen circumstances.

1. In-State Tuition

a. Undergraduate

- 1) The president, in consultation with the council of trustees, and upon concurrence of the chancellor, shall recommend multiyear university tuition strategies for approval by the Board.
 - i. A president's recommendations must include tuition rate(s), rate structure(s), and net price strategies proposed for their university. University tuition strategies may incorporate the wide variety of practices used across the nation in public higher education, but all must include net price strategies to minimize financial barriers to student access and success and net revenue strategies to serve the needs and best interests of the university and the System. The president must develop university procedures for establishing, maintaining, administering, and assessing the university's strategic pricing programs.
 - ii. The chancellor, in consultation with the presidents, will establish the expectations and framework for sharing information in support of university strategic pricing proposals. The framework must include a description of the proposed multiyear pricing strategy, supported by proven strategies founded in research; an analysis of the cost, benefit, and risk to the university based on a range of possible outcomes; and demonstration of adequate administrative capacity, as well as administrative and financial capability.
 - iii. The president will provide to the chancellor periodically an assessment of any in-state tuition strategies that have been approved by the Board. The assessment must address, at a minimum, enrollment, total and net revenue, student access, student affordability, and student success.
- 2) The Board shall approve a basic tuition rate for those universities that do not have an approved pricing strategy. Undergraduate students enrolled in 12–18 credits in a fall or spring semester will be charged a full-time tuition rate, unless otherwise approved by the Board [see section D.1.a.1)]. The full-time rate is equal to the per-credit rate for 12 credits per semester. Undergraduate

students enrolled in a fall or spring semester for more than 18 credits will be charged a full-time tuition rate for the first 18 credits and the appropriate per-credit rate for all remaining credits.

- 3) The president may adjust tuition rate(s) to allow the university to establish partnerships with other institutions in collaborative/consortial arrangements. The chancellor, in consultation with the presidents, may adjust tuition rate(s) to allow the State System to establish partnerships with other institutions or entities in collaborative/consortial arrangements.
- b. Graduate
- 1) The Board will establish annually basic graduate in-state tuition rate(s) on a per-credit basis that recognizes the higher cost of providing graduate education.
 - 2) The president may set alternate graduate tuition rate(s), based upon such factors as the cost of instruction, the level of service provided to the student, market demand, and the level of tuition necessary for the university to offer programs.

2. Out-of-State Tuition

Students from other states and countries who enroll at State System universities add a richness of experience and diversity that benefits all students and their universities. However, those students must pay an additional amount of tuition, which offsets the Commonwealth's contribution intended to subsidize the education of Pennsylvanians. The president will establish annually out-of-state tuition rate(s) in accordance with the statutory requirement for a price differential between in-state and out-of-state tuition.

3. Technology Tuition Fee

- a. The Board will establish annually the technology tuition fee in a manner that is proportional to enrollment and domicile status (in-state/out-of-state).
- b. Technology tuition fee revenues shall be expended on instructional technology. These revenues shall be used for the direct benefit of students to help them achieve the learning objectives of their academic programs.

4. Implementation

The chancellor shall promulgate procedures and standards as necessary to ensure proper implementation of this policy.



PA State System of Higher Education Board of Governors

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POLICY 1999-02-A: TUITION

See Also:

Adopted: April 8, 1999

Amended: October 10, 2002, July 14, 2005, October 11, 2007, July 17, 2008, January 20, 2011, ~~and~~ January 26, 2017, and October xx, 2018

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This policy is intended to:

- Provide students access to high-value, relevant educational experiences that prepare them for pathways to successful lives and careers.
- Allow State System universities to plan, budget, and allocate resources over multiple years, ensuring their long-term stability and success.
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- Provide access to State System universities for a range of qualified students from all socioeconomic backgrounds.
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The State System is responsible for and committed to ensuring that qualified Pennsylvania residents have access to State System universities and quality education at affordable prices. Since the students benefit from the education they receive, they have a responsibility to pay a reasonable share of the costs through tuition. Since Pennsylvania benefits from having an educated citizenry, the state also has a responsibility to bear a substantial portion of the costs through taxpayer support. The State System also has a responsibility to maximize the efficiency of its operations to minimize the cost to taxpayers and students.

Affordability has a different meaning for each individual based on their available financial resources and ability to pay. Student-centered tuition policies must include affordability strategies that focus on the student's ability to pay and net price to the student, with a result of aligning enrollment, aid to students, and net revenue. University-based pricing strategies recognize regional economic differences in costs, household income, cost of

living, and average buying power within the region. Such approaches allow each university the flexibility to become unique in its marketplace, ensuring an appropriate array of high-value academic programs, while reducing competition among State System universities. Affordability strategies allow universities to maximize their specific strengths and regional opportunities to better serve the citizenry of the Commonwealth.

~~B. Definitions~~

- ~~**Capacity**—The optimum academic year full-time equivalent student enrollment at each university that most efficiently utilizes its facilities and faculty.~~
- ~~**Cohort**—A specific group of students established for tracking purposes; commonly used in reference to the group of new students enrolling at a university in an academic year.~~
- ~~**Distance Education**—An educational process in which the instruction occurs with the instructor and student in different locations. Distance education makes use of one or more technologies, including web-conference, to deliver 80 percent or more of the instruction for the course to students who are separated from the instructor and to support interaction between the students and the instructor synchronously or asynchronously.~~
- ~~**Full-Time Tuition**—The tuition rate charged to undergraduate students enrolled in 12 or more semester credits.~~
- ~~**Graduate Student**—A student who holds at least a bachelor's or first professional degree and is enrolled at the post-baccalaureate level, including nondegree students in graduate courses who may or may not be admitted to a graduate program.~~
- ~~**Out-of-State Student**—A student who is not legally domiciled in Pennsylvania, as defined in Board of Governors' Policy 1985-03, *Student Domicile Regulations*.~~
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- ~~**Undergraduate Student**—A student in a bachelor's degree program, an associate's degree program, a vocational or technical program below the baccalaureate level; or a nondegree-seeking student matriculated in a lower or upper division course.~~

C. Definitions

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C. D. Policy Guidelines

To aid in recruiting and providing students and families with meaningful information on the cost of attending a State System university before the student needs to commit, both

the Board, for tuition, and councils of trustees, for fees, shall approve rates as early as possible. Tuition rates will be set annually no later than April 30 for the upcoming two academic years. The tuition rate for the second year, based on the most current three-year average increase in the State System's basic tuition rate, will be set as tentative, with the opportunity to be adjusted no later than April 30 prior to the start of that academic year. This does not preclude the Board from adjusting rates at a later date due to unforeseen circumstances.

1. ~~Undergraduate~~ In-State Tuition

- a. ~~Undergraduate~~ The Board of Governors will establish annually undergraduate in-state tuition rate(s), based primarily on the financial requirements of each university within the System and the Commonwealth's commitment toward meeting those requirements. Secondary consideration will be given to other factors, such as change in enrollment demographics, family income, financial aid availability, inflation, and relative standing in terms of tuition charges at peer institutions of higher education.
- 1) The president, in consultation with the council of trustees, and upon concurrence of the chancellor, shall recommend multiyear university tuition strategies for approval by the Board.
 - i. A president's recommendations must include tuition rate(s), rate structure(s), and net price strategies proposed for their university. University tuition strategies may incorporate the wide variety of practices used across the nation in public higher education, but all must include net price strategies to minimize financial barriers to student access and success and net revenue strategies to serve the needs and best interests of the university and the System. The president must develop university procedures for establishing, maintaining, administering, and assessing the university's strategic pricing programs.
 - ii. The chancellor, in consultation with the presidents, will establish the expectations and framework for sharing information in support of university strategic pricing proposals. The framework must include a description of the proposed multiyear pricing strategy, supported by proven strategies founded in research; an analysis of the cost, benefit, and risk to the university based on a range of possible outcomes; and demonstration of adequate administrative capacity, as well as administrative and financial capability.
 - iii. The president will provide to the chancellor periodically an assessment of any in-state tuition strategies that have been approved by the Board. The assessment must address, at a minimum, enrollment, total and net revenue, student access, student affordability, and student success.
 - 2) The Board shall approve a basic tuition rate for those universities that do not have an approved pricing strategy. Undergraduate students enrolled in 12–18 credits in a fall or spring semester will be charged a full-time tuition rate, unless otherwise approved by the Board [see section D.1.a.1)]. The full-time

rate is equal to the per-credit rate for 12 credits per semester. Undergraduate students enrolled in a fall or spring semester for greater than 18 credits will be charged a full-time tuition rate for the first 18 credits and the appropriate per-credit rate for all remaining credits.

- 3) The president may adjust tuition rate(s) to allow the university to establish partnerships with other institutions in collaborative/consortial arrangements. The chancellor, in consultation with the presidents, may adjust tuition rate(s) to allow the State System to establish partnerships with other institutions or entities in collaborative/consortial arrangements.
- b. ~~Graduate Undergraduate students enrolled in 12–18 credits in a fall or spring semester will be charged a full-time tuition rate, unless otherwise approved by the Board of Governors (see section C.1.e.). The full-time rate is equal to the per-credit rate for 12 credits per semester. Undergraduate students enrolled in a fall or spring semester for greater than 18 credits will be charged a full-time tuition rate for the first 18 credits and the appropriate per-credit rate for all remaining credits.~~
- 1) The Board will establish annually basic graduate in-state tuition rate(s) on a per-credit basis that recognizes the higher cost of providing graduate education.
 - 2) The president may set alternate graduate tuition rate(s), based upon such factors as the cost of instruction, the level of service provided to the student, market demand, and the level of tuition necessary for the university to offer programs.
- c. ~~The chancellor may adjust undergraduate in-state tuition rate(s) solely to allow the State System to establish partnerships with other institutions in collaborative/consortial arrangements.~~
- d. ~~The Board of Governors will establish annually undergraduate out-of-state tuition rate(s) at a level to ensure that undergraduate out-of-state students are paying the System's average net cost of education.~~
- e. ~~The Board of Governors, upon recommendation of the chancellor, may consider alternative in-state and/or out-of-state tuition rate structures for individual universities, based upon such factors as the average net cost of undergraduate education; the goals and objectives of the university and the System; the degree to which universities are at, above, or below student enrollment capacity; the current relationship between pricing, cost, and student demand; the change to student payment amounts; and student affordability.~~

~~Presidents, upon the approval of their council of trustees, may request that the chancellor recommend an alternative tuition rate structure for their university.~~

- 1) ~~Alternative methods of charging tuition may include, but are not limited to:~~
 - a) ~~Charging per-credit tuition regardless of number of credits in which the student is enrolled.~~
 - b) ~~Modifying the range of credits for which the full-time tuition rate is applied.~~

- ~~e) Charging different tuition rates to different cohort groups.~~
- ~~2) In addition, out-of-state tuition may be applied differently to out-of-state students based on the following demographic criteria:

 - ~~a) Geographic region.~~
 - ~~b) Academic program.~~
 - ~~c) Scholastic and/or extracurricular achievement.~~~~
- ~~f. Biennially, the president will provide to the chancellor an assessment of any in-state alternative tuition rate structures that have been approved by the Board of Governors. The assessment must address, at a minimum, enrollment, total and net revenue, student access, student affordability, and student success. Student-centered metrics must include an assessment of demographics, analysis of workforce earnings based on existing national and/or state data sets, and outcomes regarding status and time to degree attainment.~~

2. Graduate Out-of-State Tuition

- ~~a. The Board of Governors will establish annually graduate in-state tuition rate(s) on a per-credit basis that reflect more accurately the System's average cost of graduate education.~~
- ~~b. The Board of Governors will establish annually the graduate out-of-state tuition rate(s) at a level to ensure that graduate out-of-state students are paying the System's average net cost of graduate education.~~
- ~~c. The chancellor, upon recommendation of the president, has the authority to adjust the graduate tuition rate for specific graduate programs, based upon such factors as the cost of instruction, the level of service provided to the student, and the level of tuition necessary for the university to offer programs.~~

Students from other states and countries who enroll at State System universities add a richness of experience and diversity that benefits all students and their universities. However, those students must pay an additional amount of tuition, which offsets the Commonwealth's contribution intended to subsidize the education of Pennsylvanians. The president will establish annually out-of-state tuition rate(s) in accordance with the statutory requirement for a price differential between in-state and out-of-state tuition.

3. Summer/Winter Session Technology Tuition Fee

~~The chancellor, upon the recommendation of the president, may set alternative tuition rates for summer or winter sessions.~~

- a. The Board will establish annually the technology tuition fee in a manner that is proportional to enrollment and domicile status (in-state/out-of-state).
- b. Technology tuition fee revenues shall be expended on instructional technology. These revenues shall be used for the direct benefit of students to help them achieve the learning objectives of their academic programs.

~~4. Distance Education Tuition~~

- ~~a. In-state distance education students, both graduate and undergraduate, will be charged at the appropriate prevailing per-credit resident rate.~~
- ~~b. Out-of-state distance education students, both graduate and undergraduate, will be charged a per-credit tuition of at least 102 percent of the prevailing in-state per-credit tuition rate. Presidents may set the out-of-state distance education per-credit tuition rate on a course-by-course or program-by-program basis.~~
- ~~c. The chancellor, upon recommendation of the president, has the authority to adjust the in-state tuition rate for a particular course or program.~~
- ~~d. This policy applies to students who are charged on a per-credit hour basis. Full-time undergraduate students continue to pay full-time tuition, if applicable. The president may establish a full-time out-of-state undergraduate distance education rate based upon the per-credit out-of-state distance education rate for students enrolled 100 percent in distance education courses.~~

~~5. Technology Tuition Fee~~

- ~~a. The Board of Governors will establish annually the technology tuition fee in a manner that is proportional to enrollment and residency status (in-state/out-of-state).~~
- ~~b. Technology tuition fee revenues shall be expended only on instructional technology. These revenues shall be used for the direct benefit of students to help them achieve the learning objectives of their academic programs.~~

~~6.~~ 4. Implementation

The chancellor shall promulgate procedures and standards as necessary to ensure proper implementation of this policy.



PA State System of Higher Education Board of Governors

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POLICY 1999-02-A: TUITION

See Also:

Adopted: April 8, 1999

Amended: October 10, 2002, July 14, 2005, October 11, 2007, July 17, 2008, January 20, 2011, January 26, 2017.

A. Purpose

The Board of Governors has statutory authority to set tuition for Pennsylvania's State System of Higher Education. This policy articulates the basic philosophy, objectives, and guidelines of the System's tuition structure, providing a common understanding of the basis for establishing tuition for the State System.

B. Definitions

- **Capacity**—The optimum academic year full-time equivalent student enrollment at each university that most efficiently utilizes its facilities and faculty.
- **Cohort**—A specific group of students established for tracking purposes; commonly used in reference to the group of new students enrolling at a university in an academic year.
- **Distance Education**—An educational process in which the instruction occurs with the instructor and student in different locations. Distance education makes use of one or more technologies, including web-conference, to deliver 80 percent or more of the instruction for the course to students who are separated from the instructor and to support interaction between the students and the instructor synchronously or asynchronously.
- **Full-Time Tuition**—The tuition rate charged to undergraduate students enrolled in 12 or more semester credits.
- **Graduate Student**—A student who holds at least a bachelor's or first professional degree and is enrolled at the post-baccalaureate level, including nondegree students in graduate courses who may or may not be admitted to a graduate program.
- **Out-of-State Student**—A student who is not legally domiciled in Pennsylvania, as defined in Board of Governors' Policy 1985-03, *Student Domicile Regulations*.

- **In-State Student**—A student who is legally domiciled in Pennsylvania, as defined in Board of Governors' Policy 1985-03, *Student Domicile Regulations*.
- **Technology Tuition Fee**—A separate tuition fee established by the Board of Governors for rendering technology resources and services to enhance student learning experiences.
- **Tuition**—The basic fee established by the Board of Governors for rendering educational services, as enumerated in Act 188 of 1982. The technology tuition fee is a form of tuition.
- **Undergraduate Student**—A student in a bachelor's degree program, an associate's degree program, a vocational or technical program below the baccalaureate level; or a nondegree-seeking student matriculated in a lower or upper division course.

C. Policy

1. Undergraduate Tuition

- a. The Board of Governors will establish annually undergraduate in-state tuition rate(s), based primarily on the financial requirements of each university within the System and the Commonwealth's commitment toward meeting those requirements. Secondary consideration will be given to other factors, such as change in enrollment demographics, family income, financial aid availability, inflation, and relative standing in terms of tuition charges at peer institutions of higher education.
- b. Undergraduate students enrolled in 12–18 credits in a fall or spring semester will be charged a full-time tuition rate, unless otherwise approved by the Board of Governors (see section C.1.e.). The full-time rate is equal to the per-credit rate for 12 credits per semester. Undergraduate students enrolled in a fall or spring semester for greater than 18 credits will be charged a full-time tuition rate for the first 18 credits and the appropriate per-credit rate for all remaining credits.
- c. The chancellor may adjust undergraduate in-state tuition rate(s) solely to allow the State System to establish partnerships with other institutions in collaborative/consortial arrangements.
- d. The Board of Governors will establish annually undergraduate out-of-state tuition rate(s) at a level to ensure that undergraduate out-of-state students are paying the System's average net cost of education.
- e. The Board of Governors, upon recommendation of the chancellor, may consider alternative in-state and/or out-of-state tuition rate structures for individual universities, based upon such factors as the average net cost of undergraduate education; the goals and objectives of the university and the System; the degree to which universities are at, above, or below student enrollment capacity; the current relationship between pricing, cost, and student demand; the change to student payment amounts; and student affordability.

Presidents, upon the approval of their council of trustees, may request that the chancellor recommend an alternative tuition rate structure for their university.

- 1) Alternative methods of charging tuition may include, but are not limited to:
 - a) Charging per-credit tuition regardless of number of credits in which the student is enrolled.
 - b) Modifying the range of credits for which the full-time tuition rate is applied.
 - c) Charging different tuition rates to different cohort groups.
 - 2) In addition, out-of-state tuition may be applied differently to out-of-state students based on the following demographic criteria:
 - a) Geographic region.
 - b) Academic program.
 - c) Scholastic and/or extracurricular achievement.
- f. Biennially, the president will provide to the chancellor an assessment of any in-state alternative tuition rate structures that have been approved by the Board of Governors. The assessment must address, at a minimum, enrollment, total and net revenue, student access, student affordability, and student success. Student-centered metrics must include an assessment of demographics, analysis of workforce earnings based on existing national and/or state data sets, and outcomes regarding status and time to degree attainment.

2. Graduate Tuition

- a. The Board of Governors will establish annually graduate in-state tuition rate(s) on a per-credit basis that reflect more accurately the System's average cost of graduate education.
- b. The Board of Governors will establish annually the graduate out-of-state tuition rate(s) at a level to ensure that graduate out-of-state students are paying the System's average net cost of graduate education.
- c. The chancellor, upon recommendation of the president, has the authority to adjust the graduate tuition rate for specific graduate programs, based upon such factors as the cost of instruction, the level of service provided to the student, and the level of tuition necessary for the university to offer programs.

3. Summer/Winter Session Tuition

The chancellor, upon the recommendation of the president, may set alternative tuition rates for summer or winter sessions.

4. Distance Education Tuition

- a. In-state distance education students, both graduate and undergraduate, will be charged at the appropriate prevailing per-credit resident rate.
- b. Out-of-state distance education students, both graduate and undergraduate, will be charged a per-credit tuition of at least 102 percent of the prevailing in-state

per-credit tuition rate. Presidents may set the out-of-state distance education per-credit tuition rate on a course-by-course or program-by-program basis.

- c. The chancellor, upon recommendation of the president, has the authority to adjust the in-state tuition rate for a particular course or program.
- d. This policy applies to students who are charged on a per-credit-hour basis. Full-time undergraduate students continue to pay full-time tuition, if applicable. The president may establish a full-time out-of-state undergraduate distance education rate based upon the per-credit out-of-state distance education rate for students enrolled 100 percent in distance education courses.

5. Technology Tuition Fee

- a. The Board of Governors will establish annually the technology tuition fee in a manner that is proportional to enrollment and residency status (in-state/out-of-state).
- b. Technology tuition fee revenues shall be expended only on instructional technology. These revenues shall be used for the direct benefit of students to help them achieve the learning objectives of their academic programs.

6. Implementation

The chancellor shall promulgate procedures and standards as necessary to ensure proper implementation of this policy.



PA State System of Higher Education Board of Governors

Effective: January 11, 2001

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POLICY 1984-08-~~A~~-R: BOARD OF GOVERNORS SCHOLARS PROGRAM

See Also:

Adopted: June 19, 1984

Amended: October 15, 1985; January 12, 1989; and January 11, 2001 Rescinded:

October XX, 2018

~~A.~~ Purposes

- ~~1. Each university is authorized to waive basic fees or tuition for not more than two percent of the university's full-time equivalent enrollment.~~
- ~~2. The chancellor is authorized to grant individual university requests to extend up to 1/10 percent additional Board of Governors' scholarships to participants in articulation partnerships with underserved school districts, and for participants in the State System Partnership program.~~

~~B.~~ Procedures

~~The following procedures are applicable to the Board of Governors Scholarship Program:~~

- ~~1. A university's maximum allotment of waivers under this policy will include all students enrolled at any one time but will exclude all students receiving waivers under any other program providing basic fee or tuition waivers.~~
- ~~2. Waivers will be granted to serve the needs and best interests of the university and its undergraduate resident students and will include, but not be limited to, fulfillment of desegregation plan commitments, minority students, academics, leadership, and performing arts. Beginning in spring 2001, at least 50 percent of the waivers that a university grants beyond one percent~~

~~will be used to help increase the numbers of resident students enrolled as mathematics, science, or technology majors, or in other areas identified as high need, including math and science education and teacher preparation programs designed to serve urban or rural communities. No waivers will be granted for athletics.~~

- ~~3. Waivers will be reviewed and decisions made on renewals each academic year.~~
- ~~4. Each university will develop criteria and procedures for the award of waivers, which will be disseminated within the university community. A copy of the university criteria and procedures will be filed in the Office of the Chancellor for review. For each recipient, all Pell, PHEAA, and other aid should be exhausted and the difference then waived.~~
- ~~5. At the beginning of each semester or session, each university president (or designee) will submit to the chancellor a list of undergraduate resident students who have been awarded waivers including the names, addresses, classifications, and majors of the students and the reasons for or categories of waivers.~~
- ~~6. The two percent figure to be used in determining the number of available waivers for any current academic year will be based upon the university's fulltime equivalent enrollment for the fall semester of the preceding academic year. Each university will submit the aforementioned full time equivalent enrollment figure to the chancellor or his/her designee as quickly as possible following closure of the fall registration period. No commitments for waivers will be granted until the enrollment figure has been submitted to the chancellor.~~
- ~~7. No other fees will be waived under the terms of this policy.~~
- ~~8. This program will be in effect under the above procedures, January 11, 2001, and will continue, subject to periodic Board review to determine its continuing effectiveness.~~



PA State System of Higher Education Board of Governors

Effective: January 18, 1996

Page 1 of 2

Policy 1996-01-~~A~~-R: Sources of Funding for University Scholarships

See Also:

Adopted: January 18, 1996

Amended: April 2, 2009; January 20, 2011; April 10, 2014; April 7, 2016; and
November 13, 2017

Rescinded: October xx, 2018

~~A.~~ Purpose

~~To provide flexibility for universities to award institutional scholarships from unrestricted funds. This policy does not apply to scholarships supported by restricted funding sources.~~

~~B.~~ Definitions

~~**Institutional scholarships**—University-funded financial assistance to a student for the purpose of undertaking for credit course work not to exceed the full cost of attendance less other grant awards.~~

~~**Instructional fees**—Mandatory fees that may be used to support general instructional operations and academic facilities needs. These fees may be used to cover unusual costs of certain special programs such as music instruments, practica, instructional equipment, required course/university tests and examinations, laboratory supplies, course-required field trips, student teaching, clinical experiences, or related activities.~~

~~**Need-based institutional scholarships**—Institutional scholarships for which eligibility is based upon an analysis of financial need, to include information reported in the Free Application for Federal Student Aid (FAFSA).~~

~~**Restricted funds**—Resources received with purpose restrictions imposed by a donor or an agency outside the State System. The funds must be expended according to the specific directions of the donor or external agency. Examples of entities that can cause funds to be classified as restricted are the Commonwealth of Pennsylvania and its agencies, the federal government, and corporate or individual donors. Unrestricted funds have no restrictions placed on them by donors or external agencies.~~

~~C. Administration of Need-Based Institutional Scholarships~~

- ~~1. Need-based institutional scholarships may be granted to students who meet the following criteria:
 - ~~a. Domiciled in Pennsylvania.~~
 - ~~b. Have completed the FAFSA for the award year.~~
 - ~~c. Have demonstrated financial need.~~
 - ~~d. The total financial aid awarded does not exceed the cost of attendance.~~~~
- ~~2. Presidents must develop university procedures for establishing, maintaining, and administering a need-based institutional scholarship fund. University procedures must include funding expectations, not to exceed 10.0 percent of the prior year's gross tuition and fee revenue, or higher limits if established by the chancellor. University procedures must be approved by the university council of trustees.~~

~~D. Funding of Institutional Scholarships that are Not Based on Need~~

~~Subject to the recommendation of the president and approval of the university council of trustees, as part of the annual university budget approval process, the following sources of *unrestricted* revenue may be used to fund institutional scholarships that are not based on need:~~

- ~~1. Gifts.~~
- ~~2. Unrestricted endowment income.~~
- ~~3. Corporate sponsorship.~~
- ~~4. Camp, conference, and similar event income (net of expenditure).~~
- ~~5. Net revenue from athletic concessions, snack vending machines, and licensing royalties.~~
- ~~6. Up to 10.0 percent of the prior year's gross nonresident tuition and fee revenue, or higher limits if established by the chancellor.~~
- ~~7. Other sources of revenue, as approved by the chancellor.~~

~~E. Restricted Scholarship Funds~~

~~Nothing herein shall be deemed to govern the awarding of scholarships that are based on sources of funding which are specifically restricted for that purpose by an external source or donor.~~

~~F. Administration~~

~~The chancellor shall promulgate procedures and standards for the administration of this policy, which may include increases to the amount of unrestricted funds available for institutional scholarships.~~

Board of Governors Meeting
October 11, 2018

SUBJECT: Fiscal Year 2019/20 Appropriation Request (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: Educational and General (E&G) budget projections for fiscal year 2019/20 have been developed to support the ongoing operations of the 14 State System universities based upon their requirements and those of the Office of the Chancellor, as presented in the attached materials. Limited Commonwealth resources, continued increases in System compensation obligations, upcoming collective bargaining negotiations, and constraints on enrollment and price all indicate that the System will continue to face financial challenges for fiscal year 2019/20. The System's financial requirements are provided in the attached *Fiscal Year 2019/20 Educational and General Appropriation Request*.

System-wide enrollment projections for 2019/20 totaling 90,250 full-time equivalent (FTE) students (estimated fall 2019 headcount of 98,186) reflect an overall 0.2 percent reduction in enrollment, although estimates vary significantly by university. Recent experience would suggest these estimates are optimistic, as the System's actual enrollment has declined each year since 2011/12 by 2-4 percent. Revenue projections incorporate projected enrollment changes and changes in university-specific revenue sources, without consideration of changes in tuition rates or state appropriations. Universities have projected reductions in one-time revenue/sources, and related expenditures are eliminated as well.

The System's primary cost drivers for 2019/20 continue to be employee salaries and benefits. Compensation requirements for 87 percent of System employees are established in eight collective bargaining agreements, all but one of which are either currently under negotiation, or will be by the end of this fiscal year. At this time, future compensation requirements are unknown for these employees; therefore, as has been the case with respect to prior appropriation requests, 2019/20 budget projections incorporate the residual impact of cost increases that will occur January 2019 for all bargaining units, but exclude unknown changes in pay for all System employees. (This is not to be viewed as a bargaining position.) In regard to employee benefits, employee healthcare rates are anticipated to increase similar to national trends, and pension rate increases are de minimis.

The combined net change in revenue and anticipated mandatory expenditures, based on the university budget submissions, totals \$44.0 million. Notwithstanding the aggregate effect of creating a balanced budget, most universities will continue to face significant financial problems. The Board will reconvene before October 31, 2018, to approve the System's 2019/20 appropriation request.

MOTION: That the Board of Governors approve the 2018/19 E&G budgets for the State System universities and Office of the Chancellor, reflected in Attachment 2, as the basis for the System's appropriation request.

Supporting Documents Included: *Attachment 1: Fiscal Year 2019/20 Educational and General Appropriation Request and Attachment 2: Educational and General Budget Summaries for Pennsylvania's State System of Higher Education Entities for Fiscal Years 2017/18 through 2019/20*

Other Supporting Documents Available: University-submitted budget reports

Reviewed by: Each university's president and council of trustees

Prepared by: James S. Dillon

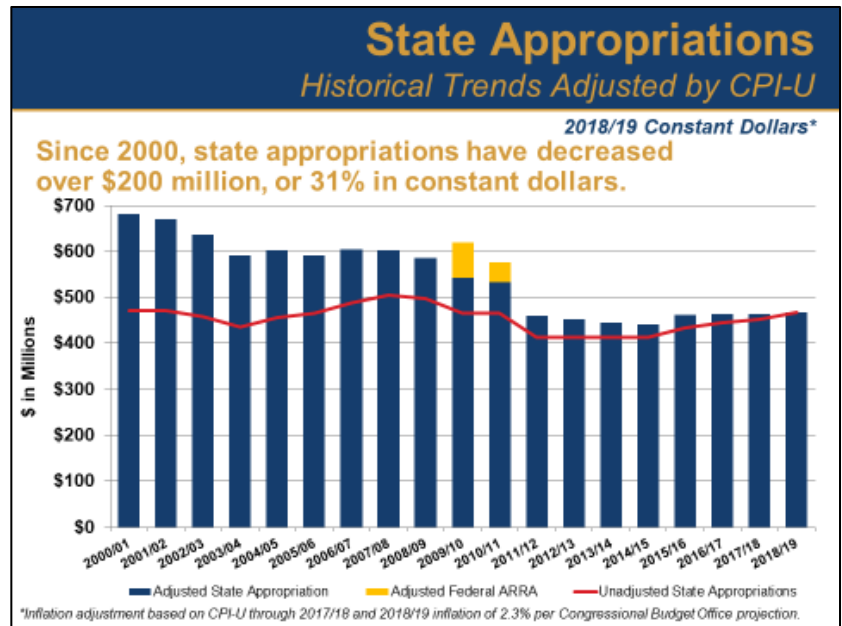
Telephone: (717) 720-4100

Attachment 1
Pennsylvania’s State System of Higher Education
Fiscal Year 2019/20 Educational and General Appropriation Request Overview
As of October 3, 2018

Fiscal Year 2019/20 Educational and General Budget Overview

Today, Pennsylvania’s State System of Higher Education receives \$468.1 million in state appropriations. Over the past four years, the Commonwealth’s budget has provided the System with a combined increase in appropriations of \$55.4 million (13 percent), following six years of reduced or stagnant appropriations. The State System is appreciative of the increased support provided by the General Assembly and Governor Wolf, and acknowledges the continued fiscal challenges facing the Commonwealth.

Nevertheless, today’s appropriations for the State System are similar to the nominal funding level the System received in 2000/01—while serving a similar number of students—representing a reduction in inflation-adjusted dollars of more than \$200 million, or 31 percent. The result has been significant effort at achieving economies, coupled with tuition increases. As students bear a greater proportion of the cost of their education, middle and lower middle class students, in particular, are negatively impacted and increasingly find our universities—still the most affordable four-year degree options in the state—are out of reach.



In accordance with Act 188 of 1982, the System’s appropriation request is based upon university financial requirements as submitted in adherence to specific guidelines (described in Attachment 2). The 2019/20 university budget projections continue to emphasize the prudent and strategic use of available resources and provide for limited increases in basic operating costs.

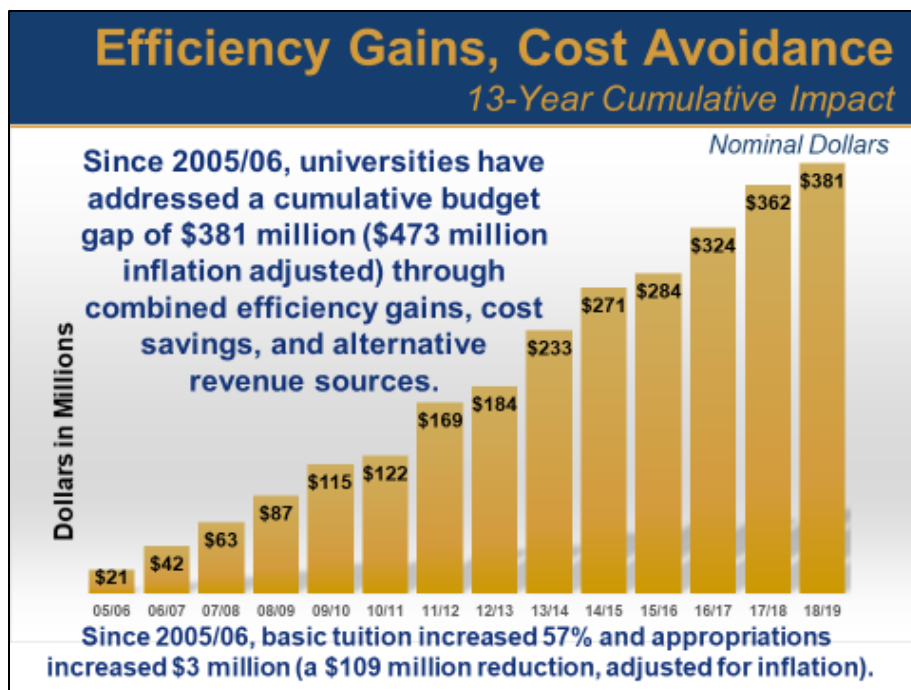
While state appropriations support only 27 percent of the System’s Educational and General (E&G) budget, most System universities continue to experience enrollment declines with a corresponding adverse effect on tuition and fee revenues. At the same time, mandatory expenditure requirements continue to increase. The System’s fiscal emphasis remains focused on implementing increased efficiencies to address the structural gap between revenues and expenses; updating the academic program array to ensure Pennsylvanians have access to a high quality, high-value education that equips them with 21st century skills; and preparing students in a timely manner for pathways to successful lives and careers.

System universities began 2018/19 with a System-wide budgetary gap of approximately \$19 million, resulting from mandatory cost increases that exceed available revenue. This continues the ongoing trend of cost saving strategies employed by the System universities as mandatory expenditure requirements eclipse annual revenue each year. Although universities

have eliminated an estimated \$381 million in base budget costs over the last 14 years (or \$473 million, inflation adjusted), they continue to streamline administrative processes and academic offerings; strategically redirect resources; implement efficiency initiatives; and aggressively manage physical, financial, and human resources.

In addition to the targeted cost savings mentioned above, universities reinvest existing resources into new and higher priority strategic areas, such as new academic programs, strategic enrollment management, student success and affordability, instructional technology expansion and campus-wide technology upgrades, distance education, and academic facilities renovation. These efforts are essential to ensure the alignment of academic

programs with workforce needs while attracting, retaining, and graduating students of diverse backgrounds, serving them through various delivery modalities and student-focused learning.



The System's 2019/20 E&G budget reflects the following adjustments, as presented in Table 1.

Enrollment

Preliminary fall 2018 enrollment reflects a decline at all but three System universities—due in part to the compounding impact of reductions in the number of high school graduates and the proportion of those who pursue a higher education—resulting in an overall reduction of approximately 3,800 full-time equivalent (FTE) students, or 4.1 percent. Four universities anticipate continued reductions in enrollment for 2019/20; however, anticipated increases at three other universities result in the System's total enrollment remaining at almost the same level in 2019/20. Recent experience would suggest these estimates are optimistic, as the System's actual enrollment has declined each year since 2011/12 by 2-4 percent. Enrollment projections vary significantly by university.

Fiscal Year	Actual FTE Enrollment	Annual FTE Change	Annual % Change
2010/11*	111,806	1,921	+1.7%
2011/12	109,741	(1,589)	-1.4%
2012/13	106,977	(3,207)	-2.9%
2013/14	104,459	(2,428)	-2.3%
2014/15	102,323	(2,098)	-2.0%
2015/16	99,868	(2,376)	-2.3%
2016/17	97,479	(2,580)	-2.6%
2017/18	94,241	(3,287)	-3.4%
2018/19 (est.)	90,423	(3,818)	-4.1%
Cumulative Change		(21,383)	-19.1%

*The System's highest enrollment occurred in 2010/11.

Employee Complement

The System has worked diligently in recent years to manage its human resources, filling only essential positions as they become vacant. With annual workforce cost increases outpacing anticipated revenue increases, the System continues to align human and fiscal

resources with the strategic direction and operational responsibilities of the System to meet the needs of students and the Commonwealth. Through a combination of retirements, voluntary separations, and furloughs, the System has approximately 1,100 fewer permanent employees today than nine years ago (fall 2009).

Given the combined impact of the fiscal climate, enrollment reductions, and the ongoing need to address program relevancy, several universities are in the midst of program realignment and workforce planning efforts that may result in eliminating positions over and above the complement changes reflected in this document. Such complement adjustments typically are excluded from appropriation request estimates, as universities are at various stages in the planning process. In some cases, compensation estimates have been reduced to reflect this commitment to workforce reduction; in other cases, universities continue to reflect Planned Use of Carryforward as a placeholder until university plans have been finalized. Conversely, universities with anticipated enrollment growth and/or that are implementing new academic programs may reflect a corresponding increase in positions.

2019/20 Anticipated Revenue

Tuition and Fees—Assuming no change in the System’s tuition rates at this time, university revenue estimates reflect a \$0.3 million reduction in tuition and fee revenue attributed to projected reductions in enrollment at four universities, changes in the mix of students (e.g., full-time versus part-time, residency, and student level), and continued implementation of pricing pilots and alternative pricing strategies. However, if enrollment is reduced by 2-4 percent, consistent with recent trends, tuition and fee revenue will decrease by \$22 million – \$44 million.

State Appropriation—The state appropriation in Table 1 reflects continued funding of the E&G appropriation at its current level of \$468.1 million. The Board of Governors will approve an appropriation request that may differ from this appropriation assumption as the System constantly advocates for funding.

All Other Revenue—Most universities do not anticipate increases and/or continuation of certain miscellaneous revenue sources until these revenues are received. In addition, they limit expenditures supported by these specific revenue streams in their budget estimates.

Planned Use of Carryforward—Typical initiatives funded with Carryforward include implementation of new academic programs, major equipment purchases and upgrades, facilities improvements, and transitions through demographic changes. Universities also reflect a Planned Use of Carryforward in 2018/19 to partially fund ongoing expenses as a transitional tool, while implementing multiyear realignments of programs and workforce needs; where this occurs, a similar amount is also reflected in 2019/20. The overall reduced reliance on Carryforward in 2019/20 supports a corresponding anticipated reduction in expenditures through sustainable restructuring and completion of one-time capital projects and academic initiatives.

Anticipated Expenditures

Salaries and Wages—State System universities operate in a competitive environment for faculty and staff. In order to continue to recruit and retain a talented work force, pay increases for all employee groups, consistent with existing collective bargaining agreements, have been addressed in the 2018/19 and 2019/20 estimates. Compensation requirements for 87 percent of System employees are established in eight collective bargaining agreements, all of which are either currently under negotiation, or will be by the end of this fiscal year. At this time, future compensation requirements are unknown for these employees; therefore, as has been the case with

respect to prior appropriation requests, 2019/20 budget projections incorporate the residual impact of cost increases that will occur January 2019 for all bargaining units, but exclude unknown changes in pay for employees. (This is not to be viewed as a bargaining position.)

Compensation for 2019/20 also incorporates an increase of 73 FTE positions; even so, total budgeted complement is projected to be less than last year's (2017/18) total authorized positions. The increase in budgeted positions is mostly associated with the annualization of filling vacancies mid-year, as well as limited new faculty and staff positions to support projected enrollment growth, the implementation of 40 new academic majors and 31 certificate programs, student success and retention, and university compliance. Most of these positions have been repurposed based on critical needs analyses that universities conduct when positions are vacated. Increases in employee complement typically are funded by the universities either through enrollment growth or other university revenue sources and do not contribute to the System's overall funding requirements. These combined changes in compensation requirements and complement generate an estimated increase in employee salaries and wages of \$14.7 million, or 1.7 percent, in 2019/20. These pay adjustments also generate a corresponding fiscal impact on social security and retirement benefit costs.

Employee Benefits—Employee healthcare rates are anticipated to increase similar to national trends and pension rate increases are de minimis. Overall, 2019/20 employee benefits expenditures are expected to increase \$15.4 million, or 3.8 percent.

Approximately half of the System's employees have chosen one of the two primary Commonwealth pension programs—State Employees' Retirement System (SERS) and Public School Employees' Retirement System (PSERS)—as their retirement vehicle. In accordance with Commonwealth budget guidelines, the most common SERS employer contribution rate is projected to increase 0.1 percent to 34.68 percent of salaries; PSERS rates are expected to increase 4.1 percent. Retirement rates associated with the alternative retirement programs remain the same, although retirement and social security costs increase as salaries and wages increase. The combined fiscal impact of pension rate changes alone will cost the System an additional \$0.6 million in 2019/20; total retirement costs are expected to increase \$2.9 million, or 2.0 percent.

Of those employees who receive health benefits, approximately 65 percent are enrolled in the System's healthcare program. The employer share of healthcare rates for active and annuitant employees within the System-managed programs is projected to increase an average of 5.5 percent next year for employees and retirees, based upon a combination of national trends, the System's healthcare experience, participation in the wellness program, and the anticipated change in complement. The remaining 35 percent of System employees receive healthcare through the Pennsylvania Employees Benefit Trust Fund (PEBTF). The Commonwealth budget guidelines include a 6.0 percent increase in the 2019/20 employer contribution rates for employees, and contribution rates for the Commonwealth's retiree healthcare program are projected to remain at the same level as 2018/19. Combined healthcare costs are anticipated to increase \$11.1 million, or 6.3 percent.

Student Financial Aid—In April 2014, the Board of Governors amended Policy 1996-01-A: *Sources of Funding for University Scholarships*, to allow councils of trustees to establish institutional scholarship programs with limited E&G revenue. Given the growing emphasis on affordability, retention, enrollment management, and the net price to the student, E&G expenditures for student financial aid are reflected as a separate

category in the budget summary. Significant growth in the use of institutional unrestricted resources for student aid has occurred each year since, corresponding with the flexibility provided by Board policy and efforts to ensure affordability. E&G student aid expenditures in 2019/20 are expected to grow an additional \$1.7 million, or 2.8 percent, to \$61.2 million, representing a 79 percent increase over six years in university-funded assistance going directly to students and their families.

All Other Basic Operating Expenditures—Given the current fiscal environment, universities continue to limit nonmandatory spending and seek further efficiencies through strategic sourcing. Therefore, anticipated expenditures for all other services, supplies, and materials are projected to decrease \$4.9 million, or 1.8 percent.

The System's 2019/20 utilities costs are projected to increase \$0.9 million, or 2.9 percent, to address anticipated rate adjustments. Rate increases are partially offset by energy conservation efforts derived, in part, through the use of energy savings contracts and some universities converting to more efficient energy sources. In total, expenditures on services, supplies, institutional aid for students, and utilities are estimated to decrease \$2.5 million, or 0.7 percent.

Capital Expenditures and Transfers—Capital expenditures and transfers, which primarily represent each university's investment in its physical resources from the E&G budget, are projected to remain stable. In addition, two universities will be borrowing monies from their Auxiliary Fund and one will be lending monies to its Auxiliary Fund, as a transitional tool, while implementing multiyear realignments of programs and workforce needs.

As described above, the System's anticipated 2019/20 expenditure requirements are driven primarily by known and anticipated mandatory cost increases in salaries and employee benefits costs. Assuming no change in the System's E&G appropriation or tuition rates, the System's budget estimates, excluding any impact of future collective bargaining agreements, result in a 2019/20 requirement of \$44.0 million.

E&G Appropriation Recommendation

Additional support from the Commonwealth is critical to the continued success of Pennsylvania's public universities and the students they serve. A \$44.0 million increase in the State System's E&G appropriation would ensure continued access to and affordability of a high quality education for the citizens of this Commonwealth. Full funding at this level supports student success, allowing the Board of Governors to hold down the cost of tuition while providing an excellent educational experience for students.

A greater investment from the Commonwealth in its public universities will support the Governor's key priorities of creating a thriving middle class that meets the workforce needs of the Commonwealth, providing Pennsylvanians a high quality education with the tools to be successful in the 21st century, and doing so effectively and efficiently. Such an investment will lead to greater affordability and cost predictability for Pennsylvania students and their families.

Pennsylvania traditionally has ranked low in its funding of students in public higher education, even with its commitment to state-funded financial aid. The most recent national data (2017) indicates state funding per student at public universities averages \$7,642 per year. This year's average State System appropriation per student is \$5,177, or 68 percent of the national average. A commitment from the Commonwealth to increase its investment in State System students by \$44.0 million would increase this funding per student to more than \$5,600, moving

the System closer to the national average. Doing so would mitigate the economic risk for students and families attempting to attain a college education, while ensuring the availability of a strong, educated workforce for Pennsylvania.

Funding of the System's 2019/20 financial requirements is essential for continued progress toward meeting these expectations and ensuring a high quality, affordable education that prepares students in a timely manner for pathways to successful lives and careers. An increased funding commitment from the Commonwealth for its students at state-owned universities will facilitate making the fundamental changes that are both necessary and largely inevitable to ensure Pennsylvania students succeed.

The combined net change in revenue and anticipated mandatory expenditures, based on the university budget submissions, totals \$44.0 million. Notwithstanding the aggregate effect of creating a balanced budget, several universities will continue to face significant financial problems. The Board of Governors will reconvene before October 31, 2018, to approve the System's 2019/20 E&G appropriation request. The question of tuition for 2019/20 will not be addressed by the Board until spring 2019.

Table 1
Pennsylvania's State System of Higher Education
Fiscal Year 2019/20 Educational and General Budget Requirements
Based on University Submissions
As of October 3, 2018

(\$ in Millions)						
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Dollar Change	Percent Change
Tuition	\$878.1	\$878.7	0.1%	\$878.6	(\$0.1)	0.0%
Fees	209.0	211.9	1.4%	211.7	(\$0.2)	-0.1%
State Appropriation	453.1	468.1	3.3%	468.1	\$0.0	0.0%
All Other Revenue	99.8	96.1	-3.7%	91.3	(\$4.9)	-5.1%
Planned Use of Carryforward	12.4	33.7	171.8%	20.9	(\$12.8)	-38.1%
Total Revenue/Sources	\$1,652.4	\$1,688.5	2.2%	\$1,670.5	(\$18.0)	-1.1%
Expenditures and Transfers						
Compensation Summary:						
Salaries and Wages	\$818.1	\$847.3	3.6%	\$862.0	\$14.7	1.7%
Benefits	393.8	411.2	4.4%	426.6	15.4	3.8%
Subtotal, Compensation	\$1,211.9	\$1,258.5	3.8%	\$1,288.6	\$30.2	2.4%
Student Financial Aid	56.7	59.5	5.0%	61.2	1.7	2.8%
Utilities	29.4	30.3	3.0%	31.1	0.9	2.9%
Other Services and Supplies	260.2	275.5	5.9%	270.5	(5.0)	-1.8%
Subtotal, All Services and Supplies	\$346.3	\$365.3		\$362.8	(\$2.5)	
Capital Expenditures and Transfers	89.2	71.5	-19.9%	66.5	(5.1)	-7.1%
Transfers Out/(In) to Balance Fund	0.0	(6.7)	n/a	(3.4)	3.3	n/a
Total Expenditures and Transfers	\$1,647.4	\$1,688.5	2.5%	\$1,714.5	\$26.0	1.5%
Revenue/Sources Less Expenditures/Transfers	\$5.0	\$0.0		(\$44.0)		
Annualized FTE Enrollment						
	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Change	Percent Change
In-State Undergraduate	73,426.11	70,296.11	-4.3%	70,003.73	(292.39)	-0.4%
Out-of-State Undergraduate	9,253.37	8,672.04	-6.3%	8,627.53	(44.51)	-0.5%
In-State Graduate	9,120.81	9,002.88	-1.3%	9,167.81	164.93	1.8%
Out-of-State Graduate	2,440.65	2,451.67	0.5%	2,451.88	0.21	0.0%
Total FTE Enrollment	94,240.94	90,422.71	-4.1%	90,250.95	(171.76)	-0.2%
E&G FTE of Budgeted Positions						
	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change	Percent Change
Faculty	5,267.28	5,190.53	(76.75)	5,225.20	34.67	0.7%
AFSCME	3,008.57	2,984.46	(24.12)	2,993.77	9.32	0.3%
Nonrepresented	1,463.90	1,480.52	16.61	1,503.44	22.93	1.5%
SCUPA	540.53	566.06	25.53	571.34	5.28	0.9%
All Other	633.39	632.33	(1.06)	632.17	(0.16)	0.0%
Total FTE of Budgeted Positions	10,913.68	10,853.89	(59.79)	10,925.92	72.03	0.7%

Attachment 2
Educational and General Budget Summaries
for Pennsylvania's State System of Higher Education Entities
As of October 3, 2018

In accordance with Act 188 of 1982, the System's appropriation request is based upon university financial requirements as submitted in adherence to specific guidelines. System universities were provided with instructions to determine their fiscal year 2018/19 and 2019/20 Educational and General (E&G) financial requirements, which include anticipated changes in salaries, benefits, and other cost categories, with the following exception. The collective bargaining agreements for all unions, except Security, Police, and Fire Professionals of America (SPFPA), expire June 30, 2019. As has been the case in prior years, no pay adjustments for these employee groups have been addressed in these university estimates, as they are unknown at this time. (This is not to be viewed as a bargaining position.)

E&G financial plans support ongoing general academic, administrative, and physical operations. Restricted (sponsored programs and most financial aid) and auxiliary (dining, housing, recreation centers, and student centers) activities are excluded. Universities provide actual cost for the prior year (2017/18) and estimates for the current year (2018/19) and request year (2019/20). University financial plans vary from one another due to the unique nature of each university's enrollment, employee complement, instructional offerings, physical plant, and strategic direction. Expenditure estimates and projections for university-based revenue sources are used to determine the System's financial plan request parameters.

Below are explanations of the enrollment, revenue, and expenditure expectations for System universities and the Office of the Chancellor for 2018/19, as submitted by the universities in September 2018 and reviewed by the Office of the Chancellor. Estimates provided for the request year (as described in Attachment 1) were used to develop the State System's 2019/20 appropriation request. A summary for each entity is provided at the end of this overview.

Enrollment Trends

Most System universities—like others in Pennsylvania—continue to experience enrollment declines with a corresponding adverse effect on tuition and fee revenues. The System's overall anticipated 2018/19 reduction of approximately 3,800 annualized full-time equivalent (FTE) students, or 4.1 percent, is consistent with preliminary fall 2018 enrollment statistics. For some System universities, this represents the ninth straight year of enrollment decline.

The declining number of high school graduates, compounded by the declining percentage of high school graduates who pursue a college education, has been a contributing factor. Similar demographic trends have been occurring nationally as other states, especially in the Northeast, have been experiencing modest declines in high school graduates. In Pennsylvania, the number of high school graduates is expected to continue to decline by approximately 1 percent in 2019 and 2 percent in 2020; however, experience varies significantly by county.

The decline in undergraduate enrollment has been partially offset by modest increases in graduate enrollment that have occurred in each of the last four years and are projected to continue. In 2010/11, the System's total enrollment peaked at approximately 112,000 FTE students, but has since declined by almost 22,000 FTE students, or 19 percent, to the anticipated 2018/19 enrollment of approximately 90,400 FTE students.

University-specific FTE enrollment projections vary significantly, with the 2018/19 one-year change ranging from a 35.5 percent decrease at Cheyney University to a 1.0 percent increase at West Chester University.

Financial Realignment

In the midst of declining enrollment, the System's emphasis continues to be on addressing the structural gap between revenues and expenses through strategic changes to its business models to ensure university financial sustainability and student success. Universities began fiscal year 2018/19 with a System-wide budgetary gap of approximately \$19 million, resulting from mandatory cost increases that exceed available revenue.

System universities continue to respond by retooling in order to meet changing student demographics and new program content needs and modalities. For some, the corresponding program realignment and workforce planning efforts may result in eliminating faculty and/or staff positions over and above the complement changes reflected in this document. Such adjustments to workforce and structural program realignment require a multiyear approach.

Universities have incorporated these structural adjustments into their budgets in different ways, as they are at various stages in their planning processes. Some universities have reflected a Planned Use of Carryforward or loans from Auxiliary Funds in 2018/19 as a one-time funding source while plans are being finalized for structural realignment. When this occurs, a similar funding commitment is also reflected in 2019/20 with the expectation that the budget will be realigned accordingly.

Fiscal Year 2018/19 Highlights Revenue/Sources

Tuition—The Board of Governors approved a 2.99 percent tuition rate increase for fiscal year 2018/19. The 2018/19 tuition revenue projections reflect the combined effect of tuition rate increases and changes in enrollment, as previously noted. In addition, tuition flexibility pilots are continuing to be implemented during fall 2018 at Indiana and Shippensburg Universities, while East Stroudsburg University has implemented its alternative pricing structure—a tuition guarantee program. System-wide, tuition revenue is expected to increase \$0.6 million, or 0.1 percent, ranging from a 38 percent reduction at Cheyney University to a 5.2 percent increase at Shippensburg University.

Fees—The universities' councils of trustees set institution-based student fee rates. Student fees include mandatory fees charged to all students, such as instructional support fees and health center fees, as well as optional fees charged to students for specific services or privileges, such as parking fees. Also included in this revenue category is the Technology Tuition Fee, set by the Board of Governors, which is expected to generate \$49.8 million in revenue for instructional technology purposes. Fee revenue reflects the combined impact of rate adjustments and enrollment changes. University mandatory fee revenue increased on average 1.4 percent. University fee practices vary significantly.

State Appropriation—The System's 2018/19 E&G appropriation of \$468.1 million represents a \$15.0 million, or 3.3 percent, increase over the prior year. The state appropriation is allocated to universities through two methods: approximately \$39.1 million will be distributed based upon performance; the remaining is distributed through the System's allocation formula methodology, as approved by the Board of Governors at its July 2018 meeting. (For 2019/20, universities reflect the same appropriation as received in 2018/19.)

All Other Revenue—Included in this category are unrestricted gifts, contracts, and grants; investment income; educational fees for noncredit activity; parking and library fines; corrections

from prior years; and other miscellaneous revenue sources. Activities generating these revenues vary widely by university and tend to be nonrecurring. Most universities do not anticipate increases and/or continuation of certain miscellaneous revenue sources in this category, and limit expenditures supported by these specific revenue streams in their budget estimates accordingly. "All Other Revenue" for 2017/18 included an \$8.2 million one-time healthcare settlement due to better than anticipated healthcare experience in 2016/17. A similar settlement is not anticipated in 2018/19; however, this has resulted in reduced premium rates for 2018/19 and limited increases for 2019/20.

Planned Use of Carryforward—From time to time, some universities may have the opportunity, either through greater than anticipated enrollment/revenue growth or through disciplined multiyear planning, to set aside revenues for future year activities. This is represented by a negative number in Planned Use of Carryforward. When a university is using funds carried forward from previous years, a positive number will appear on this line. This practice is a management tool allowing universities to anticipate and fund large one-time purchases and multiyear projects. Typical initiatives funded in this manner include new academic programs, major equipment purchases and upgrades, facilities improvements, and transitions through demographic changes. Since Carryforward funds are one-time in nature, a corresponding one-time expenditure is associated with the use of these funds. Most universities reflect a Planned Use of Carryforward in 2018/19 either to partially fund ongoing expenses as a transitional tool while implementing multiyear realignments, or for specific capital projects and new academic initiatives. Please note that with the exception of three universities, there is no Planned Use of Carryforward in 2017/18, as the prior year reflects the actual net result of the year's revenues and expenditures/transfers; typically, a surplus increased E&G net assets while a shortfall reduced E&G net assets. The three universities that included Planned Use of Carryforward funds in 2017/18 used the funds for one-time, specific strategic projects.

Expenditures/Transfers

Compensation—Universities estimate budgeted FTE positions based upon known complement and anticipated vacancies. Given the continuing budget challenges, most positions vacated during 2017/18 were either frozen or eliminated. Most System universities are planning to fill some key positions in 2018/19, with a net increase in funded positions at ten universities. In total, 10,819 E&G FTE positions are budgeted for 2018/19, representing a decrease of 95 FTE positions over the 2017/18 actual budgeted complement. This fall, the System is employing approximately 1,100 fewer permanent employees than nine years ago (fall 2009). The 2018/19 change in E&G employees ranges from a reduction of 53 FTE positions at Indiana University to an increase of 38 FTE positions at West Chester University, primarily for permanent faculty and other administrative personnel in support of enrollment increases and the implementation of new academic programs.

Compensation adjustments have been incorporated in the 2018/19 estimates for all known requirements. Employee benefits allow multiple choices for healthcare and retirement programs. Each university's mix of employees among the bargaining units that represent them, the benefits choices they make, and their years of service result in varying increases in personnel costs. Universities budget compensation expenses based upon anticipated filled positions, taking into consideration retirements, vacancies, and regular annual turnover in employee complement.

Salaries and Wages—Fiscal year 2018/19 represents the last year of a contract with most bargaining units and incorporates various combinations of increment increases, cash payments, and general pay increases. Changes to university-budgeted complement resulting from retirements, enrollment changes, accreditation requirements,

and efficiency and productivity efforts, combined with the compensation adjustments, result in an average salary and wage increase of 3.6 percent.

Benefits—The vast majority of System employees are enrolled in either the System’s healthcare program or the Commonwealth’s Pennsylvania Employees Benefit Trust Fund (PEBTF) program for health benefits. Beginning in January 2016, nonrepresented employees and employees in the Office of Professional Employees International Union Healthcare Pennsylvania (OPEIU) and the Security, Police, and Fire Professionals of America (SPFPA) unions experienced a change in the design of the System’s program that includes deductibles and co-insurance. Similar changes were experienced in January 2017 by members of the Association of Pennsylvania State College and University Faculties (APSCUF) union, which represents the university faculty and coaches. These plan changes helped reduce the System’s healthcare costs over the last three years. In 2018/19, the System’s plan experienced an unprecedented decrease in employer rates of approximately 7.3 percent, while the PEBTF employer rates reflected in the AFSCME agreement increased 2.7 percent. The System’s retiree healthcare rates decreased 2.0 percent, while the Commonwealth’s retiree healthcare rates returned to 2016/17 levels (a 60 percent increase from 2017/18, when there was a one-time reduction in the employer contribution rates).

The most common employer contribution rates for the State Employees’ Retirement System (SERS) and Public School Employees’ Retirement System (PSERS), in which 49 percent of the System’s eligible employees participate, increased approximately 0.6 percent and 2.6 percent, respectively. In total, employee benefits expenses are projected to increase 4.4 percent.

Student Financial Aid—In April 2014, the Board of Governors amended Policy 1996-01-A: *Sources of Funding for University Scholarships*, to allow councils of trustees to establish institutional scholarship programs with limited E&G revenue. Given the growing emphasis on affordability, retention, enrollment management, and the net price to the student, E&G expenditures for student financial aid are reflected as a separate category in the budget summary. Significant growth in the use of institutional unrestricted resources for student aid is reflected in 2018/19, corresponding with the flexibility provided by Board policy and expectations regarding affordability of alternative pricing strategies. E&G student aid expenditures in 2018/19 are projected to grow \$2.8 million, or 5.0 percent, and vary significantly by university.

Utilities—Each university’s utilities costs vary widely, depending on the mix of utilities (gas, coal, oil, and electricity), local providers, contractual obligations, usage, energy savings projects, and changes in space. Fiscal year 2017/18 included savings in natural gas and electricity rates that are not anticipated to be realized again in 2018/19. In addition, the cogeneration plant at IUP will undergo some major maintenance projects. Fiscal year 2018/19 utilities costs, reflecting anticipated rates, are estimated to increase an average of 3.0 percent.

Other Services and Supplies—Expenditures in this category support all the day-to-day university operations, including professional services; teaching, office, and custodial supplies; travel; subscriptions and memberships; postage; and noncapital equipment. Costs in several commodity areas were contained through System-wide strategically sourced procurements. In addition, universities routinely purchase products and services under Commonwealth and other governmental contracts to reduce costs. During 2018/19, other services and supplies expenditures are expected to increase 5.9 percent on average. Most of these increases are one-time activities associated with designated one-time fund sources, including Planned Use of Carryforward funds; university expenditures vary.

Capital Expenditures and Transfers—Capital expenditures and transfers represent the System’s investment in its physical resources from the E&G budget. Included in this category are purchases of items such as equipment, furniture, and library materials, as well as land and building improvements that have a useful life that is depreciated over time. The System budgets these expenditures on a cash basis, rather than budgeting depreciation. University transfers generally fund physical plant expenditures and debt. Some transfers may reflect a commitment for future projects. University capital expenditures and transfers can vary widely from year to year.

Board of Governors Budget Request Summary
 Bloomsburg University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$78,890,666	\$78,471,935	-0.5%	\$78,532,027	0.1%
Fees	21,907,425	21,907,650	0.0%	21,851,620	-0.3%
State Appropriation	36,152,927	37,575,747	3.9%	37,575,747	0.0%
All Other Revenue	7,079,739	6,196,786	-12.5%	6,185,711	-0.2%
Planned Use of Carryforward	2,996,155	9,124,566	204.5%	5,365,959	-41.2%
Total Revenue/Sources	\$147,026,912	\$153,276,684	4.3%	\$149,511,064	-2.5%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$72,664,199	\$74,260,997	2.2%	\$76,792,497	3.4%
Benefits	35,947,781	37,540,223	4.4%	39,577,908	5.4%
Subtotal, Compensation	\$108,611,980	\$111,801,220	2.9%	\$116,370,405	4.1%
Student Financial Aid	2,865,596	3,748,658	30.8%	4,128,658	10.1%
Utilities	2,481,748	2,838,864	14.4%	2,952,419	4.0%
Other Services and Supplies	22,944,629	27,524,883	20.0%	25,901,956	-5.9%
Subtotal, All Services and Supplies	\$28,291,973	\$34,112,405		\$32,983,033	
Capital Expenditures and Transfers	6,627,039	7,363,059	11.1%	5,232,135	-28.9%
Total Expenditures and Transfers	\$143,530,992	\$153,276,684	6.8%	\$154,585,573	0.9%
Revenue/Sources Less Expenditures/Transfers					
	\$3,495,920	\$0		(\$5,074,509)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	7,419.97	7,131.71	-3.9%	7,060.45	-1.0%
Out-of-State Undergraduate	773.46	735.27	-4.9%	722.75	-1.7%
In-State Graduate	510.79	503.83	-1.4%	536.50	6.5%
Out-of-State Graduate	69.30	66.55	-4.0%	66.55	0.0%
Total FTE Enrollment	8,773.52	8,437.36	-3.8%	8,386.25	-0.6%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	490.75	489.04	(1.71)	490.54	1.50
AFSCME	321.95	329.18	7.23	330.77	1.59
Nonrepresented	111.12	111.43	0.31	115.26	3.83
SCUPA	63.13	58.43	(4.70)	58.43	0.00
All Other	59.77	60.31	0.54	60.81	0.50
Total FTE of Budgeted Positions	1,046.72 *	1,048.39	1.67	1,055.81	7.42

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 977.77.

Board of Governors Budget Request Summary
California University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$66,754,381	\$64,706,519	-3.1%	\$64,019,043	-1.1%
Fees	14,150,440	13,990,361	-1.1%	13,836,467	-1.1%
State Appropriation	32,486,231	33,442,584	2.9%	33,442,584	0.0%
All Other Revenue	6,232,454	7,160,499	14.9%	7,160,499	0.0%
Planned Use of Carryforward	0	680,000	n/a	0	-100.0%
Total Revenue/Sources	\$119,623,506	\$119,979,963	0.3%	\$118,458,593	-1.3%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$57,053,799	\$60,101,390	5.3%	\$61,127,640	1.7%
Benefits	27,066,140	28,757,728	6.2%	29,954,967	4.2%
Subtotal, Compensation	\$84,119,939	\$88,859,118	5.6%	\$91,082,607	2.5%
Student Financial Aid	6,236,473	5,871,000	-5.9%	6,000,000	2.2%
Utilities	2,072,681	2,134,861	3.0%	2,220,255	4.0%
Other Services and Supplies	21,576,037	19,346,360	-10.3%	19,930,000	3.0%
Subtotal, All Services and Supplies	\$29,885,191	\$27,352,221		\$28,150,255	
Capital Expenditures and Transfers	5,140,777	3,768,624	-26.7%	3,768,624	0.0%
Total Expenditures and Transfers	\$119,145,907	\$119,979,963	0.7%	\$123,001,486	2.5%
Revenue/Sources Less Expenditures/Transfers					
	\$477,599	\$0		(\$4,542,893)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	4,551.00	4,222.00	-7.2%	4,158.00	-1.5%
Out-of-State Undergraduate	557.00	508.00	-8.8%	505.00	-0.6%
In-State Graduate	1,270.00	1,231.00	-3.1%	1,230.00	-0.1%
Out-of-State Graduate	634.00	625.00	-1.4%	619.00	-1.0%
Total FTE Enrollment	7,012.00	6,586.00	-6.1%	6,512.00	-1.1%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	321.25	322.21	0.96	322.21	0.00
AFSCME	188.30	178.27	(10.03)	178.00	(0.27)
Nonrepresented	86.87	92.82	5.95	92.80	(0.02)
SCUPA	52.00	51.00	(1.00)	51.00	0.00
All Other	55.83	54.26	(1.57)	53.81	(0.45)
Total FTE of Budgeted Positions	704.25 *	698.56	(5.69)	697.82	(0.74)

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 688.05.

Board of Governors Budget Request Summary
 Cheyney University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$6,373,100	\$3,925,305	-38.4%	\$5,416,632	38.0%
Fees	1,670,857	1,051,715	-37.1%	1,467,436	39.5%
State Appropriation	12,633,506	13,205,930	4.5%	13,205,930	0.0%
All Other Revenue	713,667	4,731,462	563.0%	1,394,456	-70.5%
Planned Use of Carryforward	0	0	n/a	0	n/a
Total Revenue/Sources	\$21,391,130	\$22,914,412	7.1%	\$21,484,454	-6.2%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$8,906,334	\$6,914,285	-22.4%	\$7,150,929	3.4%
Benefits	3,966,210	3,246,913	-18.1%	3,337,837	2.8%
Subtotal, Compensation	\$12,872,544	\$10,161,198	-21.1%	\$10,488,766	3.2%
Student Financial Aid	569,115	350,000	-38.5%	490,000	40.0%
Utilities	769,377	730,000	-5.1%	759,200	4.0%
Other Services and Supplies	9,151,175	8,178,422	-10.6%	8,445,507	3.3%
Subtotal, All Services and Supplies	\$10,489,667	\$9,258,422		\$9,694,707	
Capital Expenditures and Transfers	1,317,725	1,521,692	15.5%	1,342,151	-11.8%
Transfers Out/(In) to Balance Fund*	0	1,973,100	n/a	933,462	-52.7%
Total Expenditures and Transfers	\$24,679,936	\$22,914,412	-7.2%	\$22,459,086	-2.0%
Revenue/Sources Less Expenditures/Transfers	(\$3,288,806)	\$0		(\$974,632)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	455.93	342.20	-24.9%	498.00	45.5%
Out-of-State Undergraduate	213.54	110.00	-48.5%	136.00	23.6%
In-State Graduate	25.63	0.79	-96.9%	0.00	-100.0%
Out-of-State Graduate	7.00	0.13	-98.1%	0.00	-100.0%
Total FTE Enrollment	702.10	453.12	-35.5%	634.00	39.9%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	64.72	41.96	(22.76)	44.95	2.99
AFSCME	16.52	12.58	(3.94)	12.58	0.01
Nonrepresented	11.93	13.94	2.00	13.94	0.01
SCUPA	6.82	3.33	(3.49)	3.33	(0.00)
All Other	15.85	11.53	(4.32)	11.53	0.00
Total FTE of Budgeted Positions	115.85 **	83.33	(32.52)	86.33	3.00

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Funds will be used to balance the Auxiliary budget.

**Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 112.21.

Board of Governors Budget Request Summary
Clarion University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$38,152,502	\$36,939,256	-3.2%	\$36,939,256	0.0%
Fees	12,761,943	12,550,147	-1.7%	12,550,147	0.0%
State Appropriation	24,950,026	25,939,282	4.0%	25,939,282	0.0%
All Other Revenue	6,814,409	7,334,892	7.6%	5,813,100	-20.7%
Planned Use of Carryforward	0	1,336,783	n/a	1,336,783	0.0%
Total Revenue/Sources	\$82,678,880	\$84,100,360	1.7%	\$82,578,568	-1.8%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$40,517,946	\$42,071,775	3.8%	\$43,279,467	2.9%
Benefits	20,005,136	20,480,118	2.4%	21,383,738	4.4%
Subtotal, Compensation	\$60,523,082	\$62,551,893	3.4%	\$64,663,205	3.4%
Student Financial Aid	2,738,130	3,523,775	28.7%	3,526,821	0.1%
Utilities	1,823,071	1,999,405	9.7%	2,075,000	3.8%
Other Services and Supplies	16,399,302	16,682,405	1.7%	17,551,000	5.2%
Subtotal, All Services and Supplies	\$20,960,503	\$22,205,585		\$23,152,821	
Capital Expenditures and Transfers	1,556,767	2,680,786	72.2%	1,137,900	-57.6%
Transfers Out/(In) to Balance Fund*	0	(3,337,904)	n/a	(3,337,904)	n/a
Total Expenditures and Transfers	\$83,040,352	\$84,100,360	1.3%	\$85,616,022	1.8%
Revenue/Sources Less Expenditures/Transfers	(\$361,472)	\$0		(\$3,037,454)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	3,571.42	3,328.10	-6.8%	3,328.10	0.0%
Out-of-State Undergraduate	292.35	265.87	-9.1%	265.87	0.0%
In-State Graduate	461.15	443.13	-3.9%	443.13	0.0%
Out-of-State Graduate	152.90	163.33	6.8%	163.33	0.0%
Total FTE Enrollment	4,477.82	4,200.43	-6.2%	4,200.43	0.0%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	250.85	255.43	4.58	256.43	1.00
AFSCME	164.06	162.52	(1.54)	162.51	(0.01)
Nonrepresented	76.67	75.90	(0.77)	77.90	2.00
SCUPA	31.89	33.52	1.63	33.51	(0.01)
All Other	37.58	37.66	0.08	37.64	(0.02)
Total FTE of Budgeted Positions	561.05 **	565.03	3.98	567.99	2.96

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Funds will be transferred in from the Auxiliary fund to balance the E&G budget.

**Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 542.14.

Board of Governors Budget Request Summary
 East Stroudsburg University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$57,377,752	\$59,616,922	3.9%	\$60,513,319	1.5%
Fees	13,355,448	12,452,961	-6.8%	12,493,478	0.3%
State Appropriation	27,030,316	28,659,138	6.0%	28,659,138	0.0%
All Other Revenue	5,778,349	4,832,114	-16.4%	4,842,475	0.2%
Planned Use of Carryforward	0	(763,105)	n/a	(1,127,169)	n/a
Total Revenue/Sources	\$103,541,865	\$104,798,030	1.2%	\$105,381,241	0.6%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$49,440,392	\$51,227,931	3.6%	\$52,323,567	2.1%
Benefits	21,773,001	23,484,916	7.9%	24,508,627	4.4%
Subtotal, Compensation	\$71,213,393	\$74,712,847	4.9%	\$76,832,194	2.8%
Student Financial Aid	3,501,863	4,028,108	15.0%	4,118,108	2.2%
Utilities	1,495,043	1,461,721	-2.2%	1,476,120	1.0%
Other Services and Supplies	15,611,152	16,073,986	3.0%	15,961,014	-0.7%
Subtotal, All Services and Supplies	\$20,608,058	\$21,563,815		\$21,555,242	
Capital Expenditures and Transfers	10,927,343	8,521,368	-22.0%	8,723,491	2.4%
Total Expenditures and Transfers	\$102,748,794	\$104,798,030	2.0%	\$107,110,927	2.2%
Revenue/Sources Less Expenditures/Transfers					
	\$793,071	\$0		(\$1,729,686)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	4,482.00	4,291.00	-4.3%	4,292.00	0.0%
Out-of-State Undergraduate	1,216.00	1,124.00	-7.6%	1,126.00	0.2%
In-State Graduate	399.00	423.00	6.0%	429.00	1.4%
Out-of-State Graduate	126.00	142.00	12.7%	142.00	0.0%
Total FTE Enrollment	6,223.00	5,980.00	-3.9%	5,989.00	0.2%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	301.04	295.06	(5.98)	294.29	(0.77)
AFSCME	202.54	196.86	(5.68)	196.98	0.12
Nonrepresented	102.76	104.88	2.12	105.00	0.12
SCUPA	40.01	43.66	3.65	43.67	0.01
All Other	48.41	49.24	0.83	49.26	0.02
Total FTE of Budgeted Positions	694.76 *	689.70	(5.06)	689.20	(0.50)

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 689.47.

Board of Governors Budget Request Summary
Edinboro University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$46,332,116	\$42,116,166	-9.1%	\$42,116,166	0.0%
Fees	12,704,531	11,169,629	-12.1%	11,169,629	0.0%
State Appropriation	26,713,731	27,958,861	4.7%	27,958,861	0.0%
All Other Revenue	3,967,084	3,532,638	-11.0%	3,532,638	0.0%
Planned Use of Carryforward	0	4,915,750	n/a	4,915,750	0.0%
Total Revenue/Sources	\$89,717,462	\$89,693,044	0.0%	\$89,693,044	0.0%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$45,503,449	\$46,203,293	1.5%	\$47,044,954	1.8%
Benefits	25,095,132	25,289,234	0.8%	26,272,341	3.9%
Subtotal, Compensation	\$70,598,581	\$71,492,527	1.3%	\$73,317,295	2.6%
Student Financial Aid	3,656,624	3,579,849	-2.1%	3,579,849	0.0%
Utilities	2,241,675	2,218,220	-1.0%	2,315,822	4.4%
Other Services and Supplies	10,840,780	11,074,020	2.2%	11,074,020	0.0%
Subtotal, All Services and Supplies	\$16,739,079	\$16,872,089		\$16,969,691	
Capital Expenditures and Transfers	934,411	1,328,428	42.2%	1,326,232	-0.2%
Total Expenditures and Transfers	\$88,272,071	\$89,693,044	1.6%	\$91,613,218	2.1%
Revenue/Sources Less Expenditures/Transfers					
	\$1,445,391	\$0		(\$1,920,174)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	3,344.50	2,877.00	-14.0%	2,877.00	0.0%
Out-of-State Undergraduate	643.00	499.00	-22.4%	499.00	0.0%
In-State Graduate	837.00	738.00	-11.8%	738.00	0.0%
Out-of-State Graduate	285.50	280.00	-1.9%	280.00	0.0%
Total FTE Enrollment	5,110.00	4,394.00	-14.0%	4,394.00	0.0%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	304.42	299.71	(4.71)	302.26	2.55
AFSCME	161.90	156.50	(5.40)	157.40	0.90
Nonrepresented	80.84	79.79	(1.05)	81.75	1.96
SCUPA	30.00	31.44	1.44	30.54	(0.90)
All Other	38.78	37.78	(1.00)	37.60	(0.18)
Total FTE of Budgeted Positions	615.94 *	605.22	(10.72)	609.55	4.33

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 589.33.

Board of Governors Budget Request Summary
Indiana University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$110,764,180	\$110,412,180	-0.3%	\$107,455,729	-2.7%
Fees	32,908,662	33,792,070	2.7%	32,796,644	-2.9%
State Appropriation	53,901,743	54,846,695	1.8%	54,846,695	0.0%
All Other Revenue	21,541,118	18,464,207	-14.3%	18,455,795	0.0%
Planned Use of Carryforward	0	6,620,343	n/a	6,010,174	-9.2%
Total Revenue/Sources	\$219,115,703	\$224,135,495	2.3%	\$219,565,037	-2.0%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$104,232,882	\$105,731,187	1.4%	\$106,939,510	1.1%
Benefits	51,989,430	51,902,405	-0.2%	53,262,508	2.6%
Subtotal, Compensation	\$156,222,312	\$157,633,592	0.9%	\$160,202,018	1.6%
Student Financial Aid	11,870,819	12,389,212	4.4%	12,313,801	-0.6%
Utilities	4,788,473	5,512,296	15.1%	5,652,499	2.5%
Other Services and Supplies	33,948,709	35,716,549	5.2%	36,240,402	1.5%
Subtotal, All Services and Supplies	\$50,608,001	\$53,618,057		\$54,206,702	
Capital Expenditures and Transfers	15,579,945	12,883,846	-17.3%	12,900,171	0.1%
Total Expenditures and Transfers	\$222,410,258	\$224,135,495	0.8%	\$227,308,891	1.4%
Revenue/Sources Less Expenditures/Transfers					
	(\$3,294,555)	\$0		(\$7,743,854)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	8,853.83	7,879.91	-11.0%	7,604.11	-3.5%
Out-of-State Undergraduate	849.80	859.21	1.1%	828.12	-3.6%
In-State Graduate	972.13	928.38	-4.5%	896.00	-3.5%
Out-of-State Graduate	478.33	455.66	-4.7%	440.41	-3.3%
Total FTE Enrollment	11,154.09	10,123.16	-9.2%	9,768.64	-3.5%

E&G FTE of Budgeted Positions	Actual FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	686.02	645.82	(40.20)	645.82	0.00
AFSCME	373.70	368.75	(4.95)	368.75	0.00
Nonrepresented	185.94	181.50	(4.44)	181.50	0.00
SCUPA	52.48	48.02	(4.46)	48.02	0.00
All Other	58.23	58.99	0.76	58.99	0.00
Total FTE of Budgeted Positions	1,356.37 *	1,303.08	(53.29)	1,303.08	0.00

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 1,290.43.

Board of Governors Budget Request Summary
Kutztown University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$69,352,726	\$69,969,875	0.9%	\$69,820,072	-0.2%
Fees	13,031,254	16,380,877	25.7%	16,553,494	1.1%
State Appropriation	35,559,018	37,139,108	4.4%	37,139,108	0.0%
All Other Revenue	4,980,603	4,298,413	-13.7%	4,298,413	0.0%
Planned Use of Carryforward	0	0	n/a	0	n/a
Total Revenue/Sources	\$122,923,601	\$127,788,273	4.0%	\$127,811,087	0.0%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$63,420,838	\$64,661,296	2.0%	\$65,283,093	1.0%
Benefits	31,215,150	32,011,259	2.6%	33,043,175	3.2%
Subtotal, Compensation	\$94,635,988	\$96,672,555	2.2%	\$98,326,268	1.7%
Student Financial Aid	4,147,530	4,515,750	8.9%	4,600,750	1.9%
Utilities	2,216,259	2,256,825	1.8%	2,326,750	3.1%
Other Services and Supplies	20,956,580	21,115,962	0.8%	21,200,000	0.4%
Subtotal, All Services and Supplies	\$27,320,369	\$27,888,537		\$28,127,500	
Capital Expenditures and Transfers	6,902,280	3,227,181	-53.2%	3,196,270	-1.0%
Total Expenditures and Transfers	\$128,858,637	\$127,788,273	-0.8%	\$129,650,038	1.5%
Revenue/Sources Less Expenditures/Transfers	(\$5,935,036)	\$0		(\$1,838,951)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	6,225.67	6,183.92	-0.7%	6,121.61	-1.0%
Out-of-State Undergraduate	926.53	927.57	0.1%	916.82	-1.2%
In-State Graduate	422.33	462.17	9.4%	536.63	16.1%
Out-of-State Graduate	28.92	38.61	33.5%	36.73	-4.9%
Total FTE Enrollment	7,603.45	7,612.27	0.1%	7,611.79	0.0%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	452.00	448.00	(4.00)	448.00	0.00
AFSCME	215.92	212.65	(3.27)	212.65	0.00
Nonrepresented	115.45	115.71	0.26	115.73	0.02
SCUPA	38.65	35.66	(2.99)	35.66	0.00
All Other	43.42	43.88	0.46	43.88	0.00
Total FTE of Budgeted Positions	865.44 *	855.90	(9.54)	855.92	0.02

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 864.85.

Board of Governors Budget Request Summary
 Lock Haven University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$32,347,878	\$30,215,242	-6.6%	\$29,059,573	-3.8%
Fees	8,406,834	7,801,660	-7.2%	7,471,156	-4.2%
State Appropriation	24,955,737	25,189,876	0.9%	25,189,876	0.0%
All Other Revenue	3,767,025	3,573,461	-5.1%	3,587,758	0.4%
Planned Use of Carryforward	0	1,705,215	n/a	1,705,215	0.0%
Total Revenue/Sources	\$69,477,474	\$68,485,454	-1.4%	\$67,013,578	-2.1%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$35,750,936	\$37,065,186	3.7%	\$37,532,524	1.3%
Benefits	17,860,398	18,795,892	5.2%	19,490,813	3.7%
Subtotal, Compensation	\$53,611,334	\$55,861,078	4.2%	\$57,023,337	2.1%
Student Financial Aid	2,237,730	2,362,126	5.6%	2,362,126	0.0%
Utilities	1,346,880	1,374,206	2.0%	1,401,825	2.0%
Other Services and Supplies	7,805,327	8,409,048	7.7%	8,238,596	-2.0%
Subtotal, All Services and Supplies	\$11,389,937	\$12,145,380		\$12,002,547	
Capital Expenditures and Transfers	3,921,977	478,996	-87.8%	494,055	3.1%
Total Expenditures and Transfers	\$68,923,248	\$68,485,454	-0.6%	\$69,519,939	1.5%
Revenue/Sources Less Expenditures/Transfers	\$554,226	\$0		(\$2,506,361)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	3,090.00	2,714.00	-12.2%	2,529.00	-6.8%
Out-of-State Undergraduate	181.00	176.00	-2.8%	164.00	-6.8%
In-State Graduate	345.00	355.00	2.9%	387.00	9.0%
Out-of-State Graduate	79.00	71.00	-10.1%	77.00	8.5%
Total FTE Enrollment	3,695.00	3,316.00	-10.3%	3,157.00	-4.8%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	235.50	235.50	0.00	235.50	0.00
AFSCME	148.00	145.25	(2.75)	147.50	2.25
Nonrepresented	47.01	48.00	0.99	48.00	0.00
SCUPA	19.25	19.72	0.47	19.50	(0.22)
All Other	38.83	39.25	0.42	39.25	0.00
Total FTE of Budgeted Positions	488.59 *	487.72	(0.88)	489.75	2.03

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 485.07.

Board of Governors Budget Request Summary
Mansfield University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$16,982,921	\$14,904,092	-12.2%	\$15,139,482	1.6%
Fees	2,926,574	2,602,125	-11.1%	2,642,320	1.5%
State Appropriation	16,751,910	17,683,846	5.6%	17,683,846	0.0%
All Other Revenue	1,834,133	1,424,964	-22.3%	1,162,464	-18.4%
Planned Use of Carryforward	0	0	n/a	0	n/a
Total Revenue/Sources	\$38,495,538	\$36,615,027	-4.9%	\$36,628,112	0.0%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$20,599,338	\$21,219,205	3.0%	\$22,117,517	4.2%
Benefits	9,450,401	10,939,906	15.8%	11,745,992	7.4%
Subtotal, Compensation	\$30,049,739	\$32,159,111	7.0%	\$33,863,509	5.3%
Student Financial Aid	1,525,992	1,573,840	3.1%	1,575,000	0.1%
Utilities	1,010,682	1,040,727	3.0%	1,082,000	4.0%
Other Services and Supplies	4,656,648	5,162,765	10.9%	5,358,000	3.8%
Subtotal, All Services and Supplies	\$7,193,322	\$7,777,332		\$8,015,000	
Capital Expenditures and Transfers	1,054,282	2,061,857	95.6%	774,465	-62.4%
Transfers Out/(In) to Balance Fund*	0	(5,383,273)	n/a	(1,000,000)	n/a
Total Expenditures and Transfers	\$38,297,343	\$36,615,027	-4.4%	\$41,652,974	13.8%
Revenue/Sources Less Expenditures/Transfers	\$198,195	\$0		(\$5,024,862)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	1,397.00	1,227.00	-12.2%	1,247.00	1.6%
Out-of-State Undergraduate	289.00	253.00	-12.5%	257.00	1.6%
In-State Graduate	28.00	25.00	-10.7%	25.00	0.0%
Out-of-State Graduate	5.00	4.00	-20.0%	4.00	0.0%
Total FTE Enrollment	1,719.00	1,509.00	-12.2%	1,533.00	1.6%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	143.50	134.75	(8.75)	139.25	4.50
AFSCME	100.92	104.95	4.03	104.91	(0.04)
Nonrepresented	42.84	40.30	(2.54)	40.80	0.50
SCUPA	10.85	11.02	0.17	11.02	0.00
All Other	29.01	28.77	(0.24)	28.74	(0.03)
Total FTE of Budgeted Positions	327.12 **	319.79	(7.33)	324.72	4.93

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Funds will be transferred in from the Auxiliary and/or Plant fund to balance the E&G budget.

**Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 294.49.

Board of Governors Budget Request Summary
 Millersville University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$69,721,669	\$71,964,251	3.2%	\$72,007,977	0.1%
Fees	14,411,979	14,829,350	2.9%	14,830,370	0.0%
State Appropriation	33,793,847	34,446,907	1.9%	34,446,907	0.0%
All Other Revenue	6,135,888	5,291,902	-13.8%	5,291,902	0.0%
Planned Use of Carryforward	0	741,779	n/a	468,309	-36.9%
Total Revenue/Sources	\$124,063,383	\$127,274,189	2.6%	\$127,045,465	-0.2%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$60,568,340	\$63,850,105	5.4%	\$63,896,800	0.1%
Benefits	29,001,749	30,992,122	6.9%	31,661,177	2.2%
Subtotal, Compensation	\$89,570,089	\$94,842,227	5.9%	\$95,557,977	0.8%
Student Financial Aid	3,799,744	3,262,671	-14.1%	3,262,671	0.0%
Utilities	2,361,457	2,369,542	0.3%	2,418,044	2.0%
Other Services and Supplies	18,128,764	19,186,663	5.8%	19,325,911	0.7%
Subtotal, All Services and Supplies	\$24,289,965	\$24,818,876		\$25,006,626	
Capital Expenditures and Transfers	8,120,581	7,613,086	-6.2%	7,509,659	-1.4%
Total Expenditures and Transfers	\$121,980,635	\$127,274,189	4.3%	\$128,074,262	0.6%
Revenue/Sources Less Expenditures/Transfers					
	\$2,082,748	\$0		(\$1,028,797)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	5,748.63	5,748.63	0.0%	5,748.63	0.0%
Out-of-State Undergraduate	483.05	483.05	0.0%	483.05	0.0%
In-State Graduate	662.54	662.54	0.0%	662.54	0.0%
Out-of-State Graduate	40.42	40.42	0.0%	40.42	0.0%
Total FTE Enrollment	6,934.64	6,934.64	0.0%	6,934.64	0.0%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	355.03	342.22	(12.81)	342.79	0.57
AFSCME	238.23	237.75	(0.48)	238.07	0.32
Nonrepresented	109.73	114.70	4.97	115.50	0.80
SCUPA	39.26	48.33	9.07	48.29	(0.04)
All Other	46.37	48.10	1.73	48.00	(0.10)
Total FTE of Budgeted Positions	788.62 *	791.10	2.48	792.65	1.55

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 790.09.

Board of Governors Budget Request Summary
Shippensburg University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$57,257,921	\$60,220,271	5.2%	\$60,307,644	0.1%
Fees	11,003,177	11,294,832	2.7%	11,296,832	0.0%
State Appropriation	29,918,863	30,675,302	2.5%	30,675,302	0.0%
All Other Revenue	6,305,978	5,817,293	-7.7%	5,817,293	0.0%
Planned Use of Carryforward	0	636,953	n/a	0	-100.0%
Total Revenue/Sources	\$104,485,939	\$108,644,651	4.0%	\$108,097,071	-0.5%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$58,330,437	\$58,969,827	1.1%	\$58,839,730	-0.2%
Benefits	27,629,267	28,338,940	2.6%	28,832,280	1.7%
Subtotal, Compensation	\$85,959,704	\$87,308,767	1.6%	\$87,672,010	0.4%
Student Financial Aid	3,541,244	4,230,545	19.5%	4,630,545	9.5%
Utilities	1,328,861	1,355,438	2.0%	1,387,969	2.4%
Other Services and Supplies	13,928,712	14,173,087	1.8%	14,173,087	0.0%
Subtotal, All Services and Supplies	\$18,798,817	\$19,759,070		\$20,191,601	
Capital Expenditures and Transfers	1,158,679	1,576,814	36.1%	1,552,954	-1.5%
Total Expenditures and Transfers	\$105,917,200	\$108,644,651	2.6%	\$109,416,565	0.7%
Revenue/Sources Less Expenditures/Transfers					
	(\$1,431,261)	\$0		(\$1,319,494)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	4,867.13	4,800.30	-1.4%	4,800.30	0.0%
Out-of-State Undergraduate	388.30	390.19	0.5%	390.19	0.0%
In-State Graduate	533.25	526.44	-1.3%	526.44	0.0%
Out-of-State Graduate	90.25	100.92	11.8%	100.92	0.0%
Total FTE Enrollment	5,878.93	5,817.85	-1.0%	5,817.85	0.0%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	342.56	340.72	(1.84)	340.72	0.00
AFSCME	193.95	193.95	0.00	193.95	0.00
Nonrepresented	96.00	92.00	(4.00)	92.00	0.00
SCUPA	34.22	38.22	4.00	38.22	0.00
All Other	37.00	37.00	0.00	37.00	0.00
Total FTE of Budgeted Positions	703.73 *	701.89	(1.84)	701.89	0.00

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 703.73.

Board of Governors Budget Request Summary
Slippery Rock University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$78,511,449	\$80,270,794	2.2%	\$80,789,877	0.6%
Fees	18,116,860	18,573,854	2.5%	18,775,289	1.1%
State Appropriation	37,823,109	38,926,348	2.9%	38,926,348	0.0%
All Other Revenue	5,339,230	4,662,244	-12.7%	4,672,701	0.2%
Planned Use of Carryforward	2,548,000	0	-100.0%	0	n/a
Total Revenue/Sources	\$142,338,648	\$142,433,240	0.1%	\$143,164,215	0.5%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$68,251,952	\$73,733,829	8.0%	\$74,846,040	1.5%
Benefits	32,867,242	35,316,507	7.5%	36,666,023	3.8%
Subtotal, Compensation	\$101,119,194	\$109,050,336	7.8%	\$111,512,063	2.3%
Student Financial Aid	4,732,358	4,641,122	-1.9%	4,641,122	0.0%
Utilities	2,570,823	2,060,876	-19.8%	2,122,698	3.0%
Other Services and Supplies	20,916,884	20,218,979	-3.3%	20,606,972	1.9%
Subtotal, All Services and Supplies	\$28,220,065	\$26,920,977		\$27,370,792	
Capital Expenditures and Transfers	9,759,664	6,461,927	-33.8%	6,613,580	2.3%
Total Expenditures and Transfers	\$139,098,923	\$142,433,240	2.4%	\$145,496,435	2.2%
Revenue/Sources Less Expenditures/Transfers					
	\$3,239,725	\$0		(\$2,332,220)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	7,005.87	6,935.81	-1.0%	6,933.93	0.0%
Out-of-State Undergraduate	841.57	803.13	-4.6%	810.00	0.9%
In-State Graduate	1,042.99	1,089.09	4.4%	1,135.09	4.2%
Out-of-State Graduate	185.57	184.98	-0.3%	187.98	1.6%
Total FTE Enrollment	9,076.00	9,013.00	-0.7%	9,067.00	0.6%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	448.06	453.57	5.51	457.90	4.33
AFSCME	283.47	283.83	0.36	284.28	0.45
Nonrepresented	96.67	98.63	1.96	99.30	0.67
SCUPA	34.96	48.86	13.90	50.30	1.44
All Other	57.64	59.15	1.51	59.25	0.10
Total FTE of Budgeted Positions	920.80 *	944.04	23.24	951.03	6.99

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to vacancies and turnover occurring throughout the year, actual annualized employee FTE was 856.46.

Board of Governors Budget Request Summary
West Chester University of Pennsylvania

Educational and General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$149,295,677	\$154,945,949	3.8%	\$156,462,852	1.0%
Fees	31,514,236	33,384,050	5.9%	33,826,693	1.3%
State Appropriation	55,282,617	56,936,541	3.0%	56,936,541	0.0%
All Other Revenue	12,224,720	11,899,064	-2.7%	12,126,794	1.9%
Planned Use of Carryforward	5,704,923	6,599,212	15.7%	786,750	-88.1%
Total Revenue/Sources	\$254,022,173	\$263,764,816	3.8%	\$260,139,630	-1.4%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$127,456,178	\$135,922,858	6.6%	\$139,414,868	2.6%
Benefits	57,715,283	61,662,763	6.8%	64,357,689	4.4%
Subtotal, Compensation	\$185,171,461	\$197,585,621	6.7%	\$203,772,557	3.1%
Student Financial Aid	5,292,217	5,468,178	3.3%	5,968,178	9.1%
Utilities	2,883,262	2,905,300	0.8%	2,947,474	1.5%
Other Services and Supplies	38,631,588	46,814,056	21.2%	41,051,466	-12.3%
Subtotal, All Services and Supplies	\$46,807,067	\$55,187,534		\$49,967,118	
Capital Expenditures and Transfers	15,439,559	10,991,661	-28.8%	11,172,337	1.6%
Total Expenditures and Transfers	\$247,418,087	\$263,764,816	6.6%	\$264,912,012	0.4%
Revenue/Sources Less Expenditures/Transfers	\$6,604,086	\$0		(\$4,772,382)	

Annualized FTE Enrollment	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
In-State Undergraduate	12,413.17	12,614.54	1.6%	12,805.60	1.5%
Out-of-State Undergraduate	1,598.77	1,537.75	-3.8%	1,523.73	-0.9%
In-State Graduate	1,611.00	1,614.52	0.2%	1,622.49	0.5%
Out-of-State Graduate	258.46	279.07	8.0%	293.54	5.2%
Total FTE Enrollment	15,881.39	16,045.88	1.0%	16,245.35	1.2%

E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	871.58	886.54	14.96	904.54	18.00
AFSCME	384.13	386.67	2.54	390.67	4.00
Nonrepresented	247.64	261.04	13.40	274.04	13.00
SCUPA	87.01	94.85	7.84	99.85	5.00
All Other	66.67	66.41	(0.26)	66.41	0.00
Total FTE of Budgeted Positions	1,657.03 *	1,695.51	38.48	1,735.51	40.00

Note: FY 2018/19 and/or FY 2019/20 data may vary from budgets previously approved by the university's Council of Trustees.

*Due to increased enrollment demand, actual annualized employee FTE was 1,697.44.

Board of Governors Budget Request Summary
Office of the Chancellor (1/2 of 1%)

Educational & General Budget					
Revenue/Sources	Actual FY 2017/18	Projected FY 2018/19	Percent Change	Projected FY 2019/20	Percent Change
Tuition	\$0	\$0	n/a	\$0	n/a
Fees	0	0	n/a	0	n/a
State Appropriation	2,260,945	2,336,082	3.3%	2,336,082	0.0%
All Other Revenue	6,177,855	6,008,498	-2.7%	5,996,562	-0.2%
Planned Use of Carryforward	94,546	999,989	957.7%	1,023,989	2.4%
Total Revenue/Sources	\$8,533,346	\$9,344,569	9.5%	\$9,356,633	0.1%
Expenditures and Transfers					
Compensation Summary:					
Salaries and Wages	\$4,183,375	\$4,149,191	-0.8%	\$4,215,948	1.6%
Benefits	1,687,788	1,784,924	5.8%	1,862,993	4.4%
Subtotal, Compensation	\$5,871,163	\$5,934,115	1.1%	\$6,078,941	2.4%
Utilities	3,438	4,000	16.3%	4,160	4.0%
Services and Supplies	2,259,359	2,900,342	28.4%	2,963,942	2.2%
Subtotal, All Services and Supplies	\$2,262,797	\$2,904,342	28.4%	\$2,968,102	2.2%
Capital Expenditures and Transfers	264,018	506,112	91.7%	511,081	1.0%
Total Expenditures and Transfers	\$8,397,978	\$9,344,569	11.3%	\$9,558,124	2.3%
Revenue/Sources Less Expenditures/Transfers					
	\$135,368	\$0		(\$201,491)	
E&G FTE of Budgeted Positions	Approved FY 2017/18	Projected FY 2018/19	Change	Projected FY 2019/20	Change
Faculty	0.00	0.00	0.00	0.00	0.00
AFSCME	4.74	4.74	0.00	4.74	0.00
Nonrepresented	31.62	29.91	(1.71)	29.74	(0.17)
SCUPA	0.00	0.00	0.00	0.00	0.00
All Other	0.00	0.00	0.00	0.00	0.00
Total FTE of Budgeted Positions	36.36 *	34.65	(1.71)	34.48	(0.17)

*Due to turnover occurring throughout the year, actual annualized employee FTE was 35.39.

Board of Governors Budget Request Summary

Other Programs Administered by the Office of the Chancellor in FY 2017/18 and 2018/19

	FY 2017/18	FY 2018/19
Programs Funded from the Educational and General Appropriation	Appropriation	Appropriation
System Reserve	\$714,474	\$553,600
Dixon University Center Academic Programs (4.83 FTE Employees)	\$1,260,000	\$1,301,000
Compliance and Office of Internal Audit and Risk Assessment (6.75 FTE Employees)	\$919,000	\$891,154
Faculty Professional Development*	\$0	\$300,000
Tenure-Track Professional Development*	\$0	\$50,000
Faculty Professional Development for Innovative Teaching*	\$0	\$50,000

Restricted Funds 4.48 FTE Employees

The largest grant administered by the Office of the Chancellor is GEAR UP. The mission of GEAR UP is to significantly increase the number of low-income students who are prepared to enter and succeed in postsecondary education. The GEAR UP-3 program is providing services for the class of 2020 cohort of students in the Harrisburg, Allentown, and Norristown School Districts; the grant will also support this cohort of students to increase their persistence rate from their freshman year to their sophomore year in college. GEAR UP-3 is a \$20.6 million, seven-year grant. The program will receive between \$3.4 million and \$3.6 million annually for five years, \$1.4 million for the fourth year, and \$2.2 million for the seventh year.

Shared Services 82.06 FTE Employees

Also administered by the Office of the Chancellor are the following operations located in Harrisburg and funded by the universities and the Office of the Chancellor: Office of Human Capital Management, Payroll Accounting, Office of System Human Resources, Labor Relations, Construction Support Office, University Legal Counsel Office, Keystone Library Network, Distance Education, The Harrisburg Internship Semester, Treasury Accounting, SSHEnet, Shared Administrative System, Executive Information System, and Strategic Information Management System. The costs of these services and associated System contracts, \$25.9 million, are reflected within the budgets of each university and the Office of the Chancellor. State System @ Center City Philadelphia (3.68 FTE) is also included.

Overhead/Indirect Costs 14.71 FTE Employees

The Office of the Chancellor manages 14.71 FTE employees for site management and administrative services that support all programs administered by the Office of the Chancellor. These costs are included as appropriate in all the above programs and the Office of the Chancellor. In addition, .10 FTE for grant accounting services is funded from unrestricted (indirect) revenues received from restricted grants.

Other—Treasury, Procurement, Pepsi Sponsorships, Etc. 3.69 FTE Employees

In addition, the Office of the Chancellor manages 3.69 FTE employees for Treasury, Collaborative Procurement, and Unrestricted Indirects, and manages funds received from Pepsi sponsorships.

*Professional development funds are required via collective bargaining agreement.

Board of Governors Meeting

October 11, 2018

SUBJECT: Fiscal Year 2018/19 Capital Spending Plan and Capital Budget Authorization Request (ACTION)

UNIVERSITIES AFFECTED: All

BACKGROUND: For a Commonwealth-funded capital project to start design and construction, funding must be allocated in the Capital Spending Plan, and the project must have specific authorization from the General Assembly in a capital bill. The spending plan is a rolling five-year plan wherein the Board of Governors approves the execution of projects in the first year of the plan and tentatively approves the remaining four years, subject to annual reviews and updates. Projects not currently authorized by the General Assembly must be submitted for approval in the next capital bill. The General Assembly's authorization in a capital bill does not guarantee project funding.

Capital Spending Plan—Earlier this year, the universities provided input for the Capital Spending Plan in accordance with Board of Governors Policy 2000-02-A: *Capital Facilities Planning, Programming, and Funding*, and the procedures in Volume IV of the State System's *Facilities Manual*. Projects submitted were evaluated, prioritized, and compiled into the spending plan considering the following elements:

- University priority.
- Prior year position in the spending plan.
- Academic benefit.
- Space, ADA, safety, and code compliance deficiencies.
- New revenue or matching funds potential.
- Cost savings potential.
- Impact on the deferred maintenance backlog.

The funding distribution was also compared to the plant portion of the allocation formula to attempt to maintain equitable distribution.

Capital Authorization Bill—Based on submissions for the Capital Spending Plan, lists of projects requiring legislative authorization have been developed. With Board approval, the Office of the Chancellor plans to submit the attached lists of projects for authorization in the next capital bill.

MOTION: That the Board of Governors approve the fiscal year 2018/19 Capital Spending Plan and submission of the lists of projects for legislative authorization.

Supporting Documents Included: Capital Spending Plan

Other Supporting Documents Available: University-submitted project justifications

Reviewed by: University Presidents and Fiscal and Administrative Vice Presidents, September 13, 2018 (via email)

Prepared by: James S. Dillon

Telephone: (717) 720-4100

**DRAFT—Subject to Board of Governors Approval
 Pennsylvania’s State System of Higher Education
 Capital Spending Plan
 Fiscal Years 2018/19 Through 2022/23
 Financial Summary**

Financial Summary in Current Year Dollars (\$000)						
University	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Five-Year Total
Bloomsburg	\$20,600		\$2,000			\$22,600
California		\$38,600		\$3,500		42,100
Cheyney	39,800	6,500				46,300
Clarion		840				840
East Stroudsburg			1,000			1,000
Edinboro		1,100	3,000			4,100
Indiana			8,520		\$35,000	43,520
Kutztown			6,100	18,000	19,900	44,000
Lock Haven		19,500		1,600		21,100
Mansfield	4,000					4,000
Millersville		1,000				1,000
Shippensburg	6,500		44,000		4,800	55,300
Slippery Rock				18,100		18,100
West Chester				20,000		20,000
Five-Year Total	\$70,900	\$67,540	\$64,620	\$61,200	\$59,700	\$323,960

Historical Funding Analysis (\$000) ¹				
Total Capital Funding FY 1996/97–FY 2017/18	Including Cheyney		Not Including Cheyney	
	Over- or Underfunded Before Spending Plan ²	Over- or Underfunded After Spending Plan ³	Over- or Underfunded Before Spending Plan ²	Over- or Underfunded After Spending Plan ³
\$95,724	(\$15,387)	(\$17,523)	(\$8,014)	(\$7,342)
77,157	(17,345)	3,958	(11,373)	12,292
153,940	94,967	130,532	–	–
121,321	28,734	11,242	34,879	19,469
115,434	25,463	4,548	31,395	12,968
96,657	(3,263)	(18,816)	3,170	(10,152)
181,939	(16,098)	(14,913)	(2,978)	3,014
82,492	(32,528)	(14,247)	(24,748)	(3,547)
65,777	(12,401)	(7,747)	(7,168)	(647)
59,116	(5,427)	(14,629)	(1,064)	(8,766)
105,895	(255)	(23,494)	6,547	(13,940)
87,544	(20,803)	11,630	(13,511)	21,518
99,841	(12,559)	(19,723)	(4,883)	(9,179)
149,709	(13,098)	(30,818)	(2,251)	(15,688)
\$1,492,544	(\$0)	\$0	(0)	(0)

Financial Summary (\$000) Allowing for Inflation at 4% Annually						
University	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Five-Year Total
Bloomsburg	\$20,600		\$2,200			\$22,800
California		\$40,100		\$3,900		44,000
Cheyney	39,800	6,800				46,600
Clarion		900				900
East Stroudsburg			1,100			1,100
Edinboro		1,100	3,200			4,300
Indiana			9,200		\$40,900	50,100
Kutztown			6,600	20,200	23,300	50,100
Lock Haven		20,300		1,800		22,100
Mansfield	4,000					4,000
Millersville		1,000				1,000
Shippensburg	6,500		47,600		5,600	59,700
Slippery Rock				20,400		20,400
West Chester				22,500		22,500
Five-Year Total	\$70,900	\$70,200	\$69,900	\$68,800	\$69,800	\$349,600

Notes

¹ Parentheses () indicate underfunded.

² Compares funding received from FY 1996/97 to FY 2017/18 to funding if distributed by the plant portion of the allocation formula.

³ Compares funding received from FY 1996/97 to FY 2022/23 to funding if distributed by the plant portion of the allocation formula.

Numbers may not add due to rounding.

**DRAFT—Subject to Board of Governors Approval
Fiscal Years 2018/19 Through 2022/23
Project Execution Schedule**

Proposed Execution Year	University	Project Description	Original Furniture and Equipment OF&E?	Authorization Act	Total Authorization (\$000)	Facility Use	University Funds (\$000)	Commonwealth Funding Adjusted for Inflation (\$000)
2018/19	Bloomsburg	McCormick Center Renovation	—	82/10, 82/17	25,000	General Education		\$20,600
	Cheyney	Cope Hall Renovation/Addition	—	82/10, 82/17	48,000	Athletics		39,000
		Browne Hall Renovation, Additional Funds	—	83/06, 41/08	5,500	General Education		800
	Mansfield	Maple Hall Demolition and Site Restoration	—	85/13, 82/17	7,500	Utilities Infrastructure		4,000
	Shippensburg	Franklin Science Center Renovation (Design)	—	82/10, 85/13, 82/17	75,000	Science and Technology		6,500
2018/19 Total								\$70,900
2019/20	California	Science Building Construction	—	40/04, 82/17	65,093	Science and Technology		\$40,100
	Cheyney	Cope Hall Renovation/Addition	OF&E	85/13	5,000	Athletics		4,200
		Demolition of Various Buildings, Phase 3	—	82/10, 52/17	8,600	General Education		2,600
	Clarion	Facility Space Renovation, Consolidation, and Demolition	OF&E	82/17	1,000	Administrative		900
	Edinboro	B.F. Library Addition and Renovation	OF&E	82/17	2,000	Mixed Usage		1,100
	Lock Haven	Robinson Learning Center Renovation	—	82/17	20,000	General Education		17,200
		Demolition of Various Buildings	—	82/17	5,000	Infrastructure		3,100
Millersville	Stayer (Jefferson Hall) Building Renovation	OF&E	82/10	1,000	Athletics		1,000	
2019/20 Total								\$70,200
2020/21	Bloomsburg	McCormick Center Renovation	OF&E	85/13	2,500	General Education		\$2,200
	East Stroudsburg	Demolition of Various Buildings	—	82/17	8,000	Infrastructure		1,100
	Edinboro	Centennial and Miller Demolition	—	82/17	7,000	Infrastructure		3,200
	Indiana	Chilled Water Plant Expansion	—	82/10	8,000	Infrastructure		3,800
		Eberly HVAC Upgrade	—	82/10	4,460	(blank)		5,400
	Kutztown	Poplar House Renovation/Addition	—	82/10, 82/17	7,000	Administration		6,600
	Shippensburg	Franklin Science Center Renovation (Construction)	—	82/100, 85/13, 82/17	75,000	Science and Technology		47,600
2020/21 Total								\$69,900
2021/22	California	Science Building Construction	OF&E	82/17	5,000	Science and Technology		\$3,900
	Kutztown	Poplar House Renovation/Addition	OF&E	82/17	600	Business Education		400
		Educational Building (Lytle Hall) Renovation or Replacement	—	41/08	30,000	Mixed Usage	\$5,600	19,800
	Lock Haven	Robinson Learning Center Renovation	OF&E	82/17	2,000	General Education		1,800
	Slippery Rock	Electrical Infrastructure Upgrade	—	82/17	20,000	Infrastructure		20,400
	West Chester	F.H. Green Library Renovation	—	40/04, 82/17	50,400	Libraries		22,500
2021/22 Total								\$68,800
2022/23	Indiana	Academic Building Replacement	—	(blank)		General Education		\$40,900
	Kutztown	Keystone Hall/Fieldhouse Upgrade	—	40/04, 41/08, 82/17	29,034	Athletics		23,300
	Shippensburg	Franklin Science Center Renovation	OF&E	82/17	9,000	Science and Technology		5,600
2022/23 Total								\$69,800
Grand Total								\$349,600

Agency	Pennsylvania's State System of Higher Education	Source of Funds	Agency Request	OB Recommended	Difference
	Capital Budget Authorization Request	Bond.....	\$655,000	\$0	\$0
	Departmental Summary of Requests	Current.....	0	0	0
	(Dollars in Thousands)	Federal.....	0	0	0
		Local.....	0	0	0
		Other.....	0	0	0
	Public Improvement Projects	Total.....	\$655,000	\$0	\$0
Priority No.	Project Title/Comments	Location	Source of Funds	Agency Request	OB Recommended
(1)	(2)		(3)	(4)	(5)
1	Demolition and Site Restoration of Underutilized and Obsolete Buildings	Statewide	B	\$50,000	
2	Academic Building Replacement	Indiana	B	50,000	
3	Electrical Infrastructure Upgrade, Additional Funds	Slippery Rock	B	5,000	
4	Renovation, Alteration, New Construction, Infrastructure Upgrades and Land Acquisition Necessary to Address Deferred Maintenance, Capital Renewal and Modernization Requirements	Statewide	B	500,000	
5	North Hall Renovation/Elliott Hall Demolition	Mansfield	B	50,000	
			TOTAL	\$655,000	\$0

Agency:	Pennsylvania's State System of Higher Education	Source of Funds	Agency Request	OB Recommended	Difference
	Capital Budget Authorization Request Departmental Summary of Requests (Dollars in Thousands)	Bond.....	\$70,000	\$0	\$0
		Current.....	0	0	0
		Federal.....	0	0	0
		Local.....	0	0	0
		Other.....	0	0	0
	Original Furniture and Equipment	Total.....	\$70,000	\$0	\$0

Priority No.	Project Title/Comments	Location	Source of Funds	Agency Request	OB Recommended
(1)	(2)		(3)	(4)	(5)
1	Original Furniture and Equipment for PASSHE Deferred Maintenance, Capital Renewal, and Modernization Projects	Statewide	B	\$60,000	
2	Academic Building Replacement	Indiana	B	5,000	
3	North Hall Renovation/Elliott Hall Demolition	Mansfield	B	5,000	
			TOTAL	\$70,000	\$0