

Building A Better Brockport

Town Hall Budget Update

05-11-2020



Impact of COVID-19 refunds

Key Assumptions

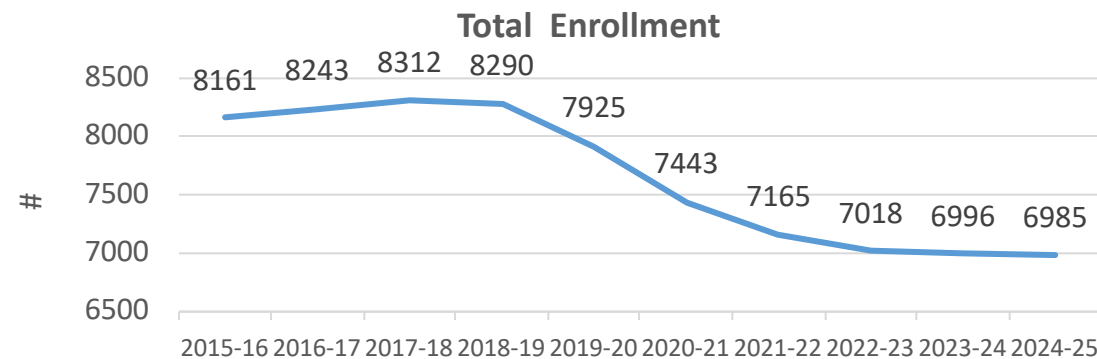
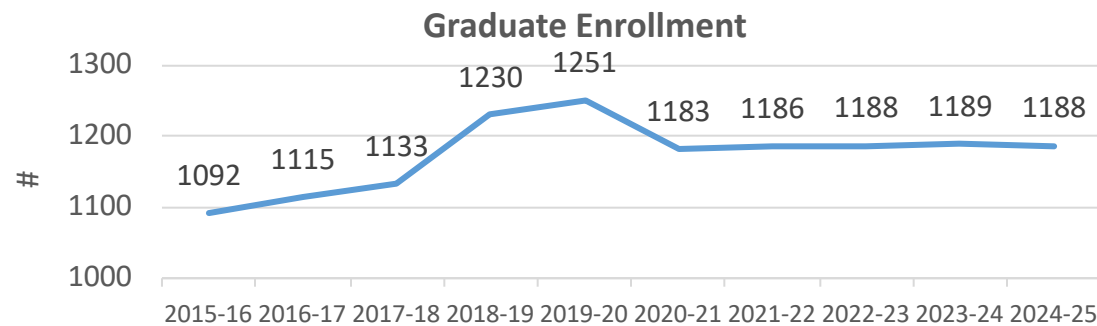
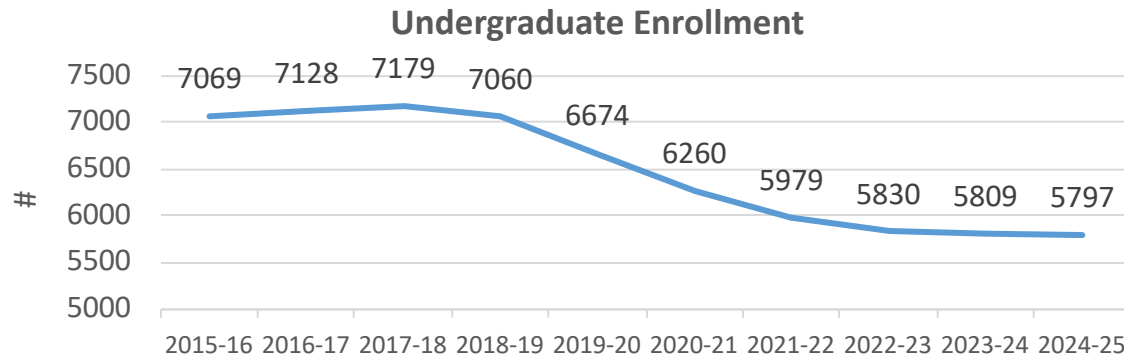
- Refunds and Credits funded from source

| Source | Amount | Comments |
|---------------------------------|----------------------|---|
| Residential Life | \$ 3.8 M to \$ 4.0 M | Significant financial impact to DIFR |
| BASC | \$ 2.0 M to \$ 2.5 M | To be Funded from BASC Reserves |
| Athletics, SERC, Transportation | \$ 0.8 M to \$ 0.9 M | Fund from reserve balances, Athletics may be an issue |
| BSG | \$ 0.2 M to \$ 0.2 M | BSG to Fund |
| Parking | \$ 0.1 M to \$ 0.2 M | To be Funded from Parking Reserves |
| Total Refunds and Credits | \$ 6.9 M to \$ 7.8 M | |



5 Year Model Update

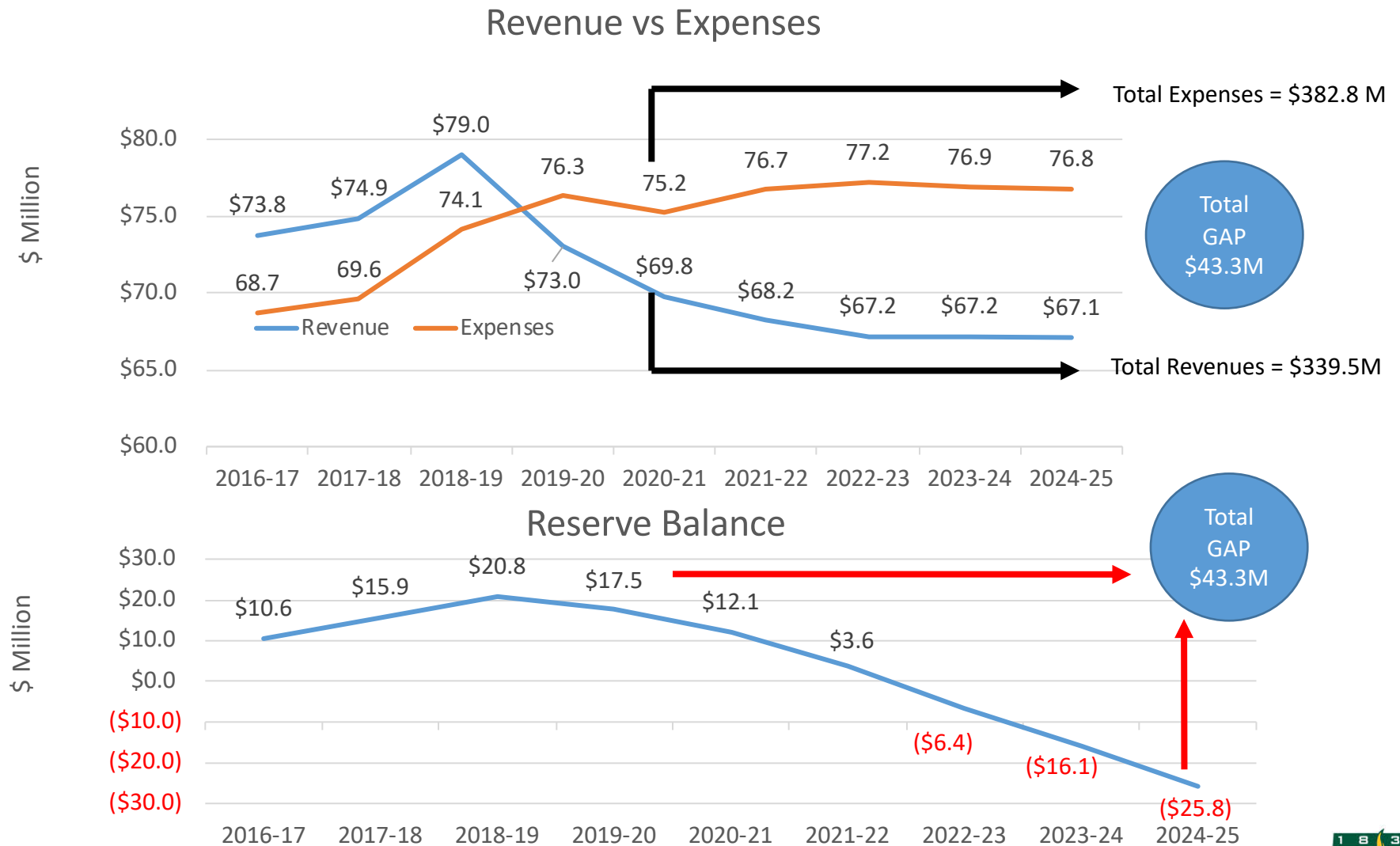
Enrollment Base Case



- Latest data set from Institutional Research
- Undergraduate enrollment drops by 700 over the next 2 years and starts to level off at approximately 5800 students
- Graduate enrollment decreases to approximately 1200
- Total enrollment dropping by 1000 students over the next 3 years



5 Year Model –Financial Impact



In order to maintain adequate reserves financial improvement is required



5 Year Model Financial Impacts \$M

| | 2020 2021 | 2021 2022 | 2022 2023 | 2023 2024 | 2024 2025 | Total |
|--|--------------|--------------|--------------|--------------|--------------|---------|
| \$M Improvement required to maintain adequate reserves | \$ 5.4 | \$ 8.5 | \$ 10.0 | \$ 9.7 | \$ 9.7 | \$ 43.3 |
| 25% Cut In State Support | \$ 3.8 | \$ 3.8 | \$ 3.8 | \$ 3.8 | \$ 3.8 | \$ 19.0 |
| Total Financial Impact \$ M | \$ 9.2 | \$ 12.3 | \$ 13.8 | \$ 13.5 | \$ 13.5 | \$ 62.3 |
| Total State Spend in Model | \$75.2 | \$ 76.7 | \$ 77.2 | \$ 76.9 | \$76.8 | \$382.8 |
| % Change Required | 12.2 % | 16.0 % | 17.9% | 17.5% | 17.5% | 16.2 % |

5 Year Model – GAP Closing Actions \$M

| | 2020 2021 | 2021 2022 | 2022 2023 | 2023 2024 | 2024 2025 | Total |
|---|--------------|--------------|--------------|--------------|--------------|---------|
| Total Financial Impact \$ M | \$ 9.2 | \$ 12.3 | \$ 13.8 | \$ 13.5 | \$ 13.5 | \$ 62.3 |
| Identified Opportunities | | | | | | |
| Open Position Management # 4 | \$ 2.0 | \$ 2.0 | \$ 2.0 | \$ 2.0 | \$ 2.0 | \$ 10.0 |
| Managed Print Services # 14 | \$ 0.1 | \$ 0.2 | \$ 0.4 | \$ 0.4 | \$ 0.4 | \$ 1.5 |
| Energy Savings Initiatives # 17 | \$ 0.1 | \$ 0.2 | \$ 0.3 | \$ 0.3 | \$ 0.3 | \$ 1.2 |
| Equipment Replacement, Lease vs Buy #12 | \$ 0.1 | \$ 0.3 | \$ 0.5 | \$ 0.5 | \$ 0.5 | \$ 1.9 |
| Vehicle Fleet # 15 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.5 |
| E-Procurement # 16 | - | \$ 0.4 | \$ 0.6 | \$ 0.7 | \$ 0.7 | \$ 2.4 |
| Total Identified Opportunities | | | | | | |
| | \$ 2.4 | \$ 3.2 | \$ 3.9 | \$ 4.0 | \$ 4.0 | \$ 17.5 |
| Remaining \$M GAP | | | | | | |
| | \$ 6.8 | \$ 9.1 | \$ 9.9 | \$ 9.5 | \$ 9.5 | \$ 44.8 |

5 Year Model – GAP Closing Opportunities

| Opportunity | Project Lead | Comments |
|--|------------------------------|---|
| Retention and Enrollment Initiatives # 1 | Katy Heyning, Katy Wilson | Assess retention and new program opportunities |
| Rollover and Reserve Management # 6 | Cabinet | Data submission 4/24. Consolidation and Cabinet Review to be completed in May 2020 |
| Spending Control Impact On 2019-2020 Reserve Balances <i>New</i> | Jim Wall | Assessment in Process |
| Academic Master Plan # 8 | Katy Heyning | 3 Years of program financials completed. Data analysis underway. Core team to be established to provide recommendations |
| Work Process Re-Engineering # 3 | Jim Wall, Katy Wilson | Implement improvements in administrative and transactional workflows |
| Space Utilization # 9 | Dave Mihalyov, Jim Wall | Determine if opportunities exist within current Facilities Master Plan |

5 Year Model – GAP Closing Opportunities

| Opportunity | Project Lead | Comments |
|-------------------------|-----------------------------|--|
| Events Management # 7 | Katy Wilson, Mike Andriatch | Business case to be completed in Summer 2020 |
| Fee Based Programs # 11 | Karen Riotto, Jim Wall | Review all fee based programs and work with appropriate people to develop improvement initiatives and changes. |
| Residential Life # 13 | Katy Wilson, Jim Wall | Given current enrollment projections determine if business model changes are required |
| Athletics <i>New</i> | Katy Wilson, Jim Wall | Given current enrollment projections determine if business model changes are required |
| Shared Services # 18 | Karen Riotto, Jim Wall | Work with Western New York SUNY institutions to determine and evaluate Shared Service Opportunities |



Building a Better Brockport Financial Model Principles

| Financial Model Principle | Comments | Status |
|--|--|--------|
| 1. Understanding of Actual Spend and Trends | Review completed | |
| 2. Clear picture of Reserves and Rollovers | Input received from all divisions. Consolidation in process. Cabinet review to be scheduled in May 2020 | |
| 3. Understanding of Investments required to achieve Strategic Priorities | Goal Group projects and investments identified. Review and prioritization with JPBC and Cabinet completed. | |
| 4. Review of Program Financials and Metrics | Review completed – modifications in process. Baseline financial information for Academic Master Plan in development. | |
| 5. Appropriate use of budget models (Zero-Based, Activity Driven) to determine operational needs | Zero Based budgets in process for all divisions except Academic Affairs (Scheduled for 2021/22). Reviews to be completed in May 2020. | |
| 6. Consolidation of Strategic and Operational requirements | Consolidation of requirements to commence after Zero Based Reviews. To be completed in June 2020 | |
| 7. Clear understanding of affordability and priorities | Five Year model, enrollment and revenue projections completed. Impact of State Budget decisions TBD | |
| 8. Target development and deployment | To be completed in June | |
| 9. Timely and accurate budget submission | To be completed in August | |
| 10. Measuring results, driving accountability and recalibrating when necessary | | |