



TCNJ

THE COLLEGE OF NEW JERSEY

OPERATING BUDGET PLAN FISCAL YEARS 2017 - 2021

Board of Trustees
Business and Infrastructure Committee

April 11, 2017

Financial Report as of March 31, 2017

Cash and Investment Management

- The investment portfolio, which is managed using guidelines approved by the Board of Trustees, has two components:
 - The Short-Duration Fixed Income component represents the primary source of current income and liquidity cushion.
 - The multi-asset class strategy represents the College’s primary source of long-term growth.
- The investment portfolio results are on pace to exceed the budgeted projections as of March 31, 2017:
 - The combined portfolio generated a fiscal year-to-date return of **\$3.6 million** as of March 31, 2017, versus the budgeted projection of **\$3.9 million**.
 - The diversified, or multi-asset class, component of the portfolio returned 8.29% over the nine months ended 3/31/17.
 - The Short-Duration Fixed Income portfolio generated a modest return of 0.09% over the same period.

TCNJ Cash and Investments as of March 31, 2017		
Portfolio	Strategy	Market Value and Accrued Interest
Short-Duration Fixed Income	1-3 year fixed income portfolio that generates current income and serves as a Working Capital liquidity cushion	\$ 32,486,000
Working Capital	New Jersey Cash Management Fund plus Operating Checking Accounts	64,821,000
Multi-Asset Class	Growth-oriented portfolio targeting above-inflation rate of return in support of the College’s long-term goals	45,470,000
Total Cash and Investments		\$ 142,777,000

FY2017 Operating Budget Highlights

- As of 3/31/17, tuition and fees are below budget primarily due to a decline in spring graduate enrollment.
- Institutional scholarships are tracking below the budget, providing savings to offset the graduate tuition shortfall.
- State appropriation receipts are on track.
- Room revenues net of housing waivers are on track with the budget.
- Due to the positive stock market performance, investment earnings totaled over \$3.6M as of 3/31/17 versus the budget of \$3.9M.
- Overall expenditures are slightly below budget primarily due to debt service payment schedule and fringe benefits expense.
- Funding for asset renewal and transfers to strategic reserves will be done at fiscal year end.

Operating Budget Financial Plan (\$ in 000's)				
	FY17 BUDGET	ACTUALS @ 03/31/17	AVAILABLE BALANCE	Percent
RESOURCES				
Tuition and Fees	\$ 122,247	\$ 117,264	\$ 4,983	95.9%
Less Institutional Scholarships	(15,524)	(14,122)	(1,402)	91.0%
Net Tuition and Fees	106,723	103,142	3,581	96.6%
NJ State Base Appropriations	27,177	18,118	9,059	66.7%
Fringe Benefits Appropriations	32,732	18,411	14,321	56.2%
Room (net of housing allowances)	32,398	32,063	335	99.0%
Board	14,535	14,825	(290)	102.0%
TCNJ Foundation Support	1,624	178	1,446	11.0%
Grants Indirect Cost Recovery	677	608	69	89.8%
Other Sources	11,339	8,921	2,418	78.7%
Auxiliary Activities	4,790	1,507	3,283	31.5%
Total Base Financial Plan	231,995	197,773	34,222	85.2%
Investment Income	3,908	3,683	225	94.2%
Capital Contributions	-	-	-	0.0%
TOTAL FUNDING AVAILABLE	\$ 235,903	\$ 201,456	\$ 34,447	85.4%
EXPENDITURE PLAN				
Compensation	\$ 103,282	\$ 70,897	\$ 32,385	68.6%
Fringe Benefits	\$ 36,141	20,716	15,425	57.3%
Institutional Commitments	11,688	8,983	2,705	76.9%
Fuel & Utilities	5,150	3,599	1,551	69.9%
Department Non-Salary Allocation	14,585	8,641	5,944	59.2%
Computer Hardware & Software	1,794	863	931	48.1%
Library Acquisitions	1,879	1,620	259	86.2%
Contract Food Service	17,965	11,971	5,994	66.6%
Debt Service (Principal & Interest)	24,869	11,956	12,913	48.1%
Total Base Expenditure Plan	\$ 217,353	\$ 139,246	\$ 78,107	64.1%
Net Transfers to Capital & Strategic Reserves	8,644	205	8,439	2.4%
Asset Renewal Funding	9,520	-	9,520	0.0%
TOTAL EXPENDITURE PLAN	\$ 235,517	\$ 139,451	\$ 96,066	59.2%
BUDGET SURPLUS (SHORTFALL)	\$ 386	\$ 62,005	\$ (61,619)	