



TCNJ

THE COLLEGE OF NEW JERSEY

STRATEGIC PLAN IMPLEMENTATION

PRIORITY V – SUSTAINABLE FINANCIAL MODEL

Presented to Business and Infrastructure
Committee of the Board of Trustees

February 21, 2017

TCNJ's Strategic Planning

Strategic planning at TCNJ involves a need to make disciplined, informed decisions about the goals that we will and will not pursue.

TCNJ 2021: Bolder, Better, Brighter

- **Priority I:** Attract and retain talented students, faculty, and staff into a diverse, inclusive, and healthy campus.
- **Priority II:** Enhance Signature Experiences.
- **Priority III:** Promote the college's distinctive identity to enhance institutional and program recognition at the national level.
- **Priority IV:** Build, operate, and maintain a safe, sustainable, and accessible physical and technological infrastructure that supports high-caliber learning.
- **Priority V:** Achieve a sustainable financial model that allows the college to realize its vision while maintaining quality and affordability for the students it serves.

Strategic Plan Priority V - Sustainable Financial Model

Goals	Action Steps	Budget Allocation	Benchmarks
Build a multi-year financial plan that integrates capital and operating budgets to support institutional priorities	<ul style="list-style-type: none"> Develop a multi-year operating and capital budget plans, along with annual key financial performance indicators Conduct debt capacity assessment and debt refinancing to guide future borrowing and revise the debt policy to ensure financial sustainability Conduct Debt Enterprise Risk Management Deep Dive assessment Investment in Oracle Financial Cloud Technology 	Debt Capacity Assessment - Approx. \$75K	Debt Capacity Assessment Level of debt service savings ERM Debt Deep Dive Multi-year Financial Plans Annual KPI to access TCNJ's Financial Health
Guided by a comprehensive enrollment plan that addresses undergraduate, graduate and continuing education, grow net tuition revenue by growing targeted enrollments	<ul style="list-style-type: none"> Create a comprehensive enrollment plan that serves the wider strategic goals of the college Grow total student enrollment by 500 students (or grow equivalency in net revenue from tuition) for the duration of the plan Create at least two new graduate programs delivered in a blended/online learning format 	Internal Resources	Goal of \$4.9 million increase in net tuition revenue exclusively from enrollment growth by 2021
Diversify revenue streams including external funding through development, grant acquisition, and other forms of external support	<ul style="list-style-type: none"> Develop and implement an aggressive comprehensive fundraising plan that fosters private gifts and grants in support of both annual programming and endowment growth Increase revenue on camps, conferences and fee-for-service contracts 	\$1.98 million campaign operating budget over 5 years	5-Year Comprehensive Campaign \$40 million goal by June 2017 Projected annual increase of \$365,000 in gross revenue from Conference and Event Services
Reallocate resources to address strategic priorities	<ul style="list-style-type: none"> Clarify strategic budget priorities and exercise discipline in strategic allocation of resources Engage in cost containment/cost avoidance Recommend that the governance review consider modification of the membership of the current Finance and Budget Planning Council to increase transparency and broaden input to the budget process Develop an incentive-based budget model that promotes student success and encourages innovation and entrepreneurship Promote and incentivize cross-divisional/departmental collaboration for cost savings and revenue generation 	Internal Resources	Develop new Incentive-Based Budget Model Identify sustainable revenue enhancement and cost-savings initiatives through cross-divisional collaboration

Strategic Plan Priority V - Sustainable Financial Model



The College of New Jersey Priority V: Sustainable Financial Model Strategic Plan Summary

PRIORITY V							GOALS	STATUS OF ACTION STEPS	ACCOUNTABILITY																																																																																																																																																														
<p>Achieve a sustainable financial model that allows the college to realize its vision while maintaining quality and affordability for the students it serves.</p> <p>In an increasingly competitive higher education environment, development of new sources of revenue and prudent management of existing financial resources are equally important to the long-term financial health of any institution. To ensure the financial sustainability of TCNJ's mission, programs, and operations, the College will grow targeted enrollments and diversify sustainable revenue streams, while implementing budget strategies to match resources with priorities.</p>							<p>1. Strategic Financial Planning - Build a multi-year financial plan that integrates capital and operating budgets to support institutional priorities.</p>	<p>1a. A multi-year financial plan model developed and KPIs will be reported annually. Status = Completed</p> <p>1b. Debt capacity assessments completed by Moody's and S&P and report given to Trustees. Bonds refinancing completed and resulted in \$22.9M debt service savings over 5 yrs.</p> <p>1c. In-Progress. TCNJ will implement Oracle Cloud Financials by the end of FY2017.</p>	<p>Ricketts/Van Nostrand</p> <p>Ricketts/Van Nostrand</p> <p>Ricketts/Blanton</p>	 																																																																																																																																																													
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