



# WELCOME

UNIVERSITY ASSEMBLY – FEB 2019

---

PACIFIC LUTHERAN UNIVERSITY



# AGENDA

---

1. Welcome – Allan Belton
2. Board Update – Allan Belton
3. General Education – Joanna Gregson
4. Budget – David Ward
5. Capital Project Update – Dan Lee
6. Q & A



**I do not like the cone of uncertainty!**



# 2019-2020 Budget Update

David Ward

---

**PACIFIC LUTHERAN UNIVERSITY**



# AGENDA

---

1. Welcome – Allan Belton
2. Board Update – Allan Belton
3. General Education – Joanna Gregson
4. Budget – David Ward
5. Capital Project Update – Dan Lee
6. Q & A



# 2019-2020 Budget

## Current Environment

- Faculty and staff salaries are significantly (>10%) behind peers
  - Inconsistent with PLUs salary goals
  - Creating hiring and retention challenges
- Continued need for investment in PLU's capital
- Budget Advisory Committee pushing for more investment in these priorities.



# 2019-2020 Budget

## Current Budget Revenue Assumptions

- Fall Enrollment = 3121 (down 22)
  - 650 incoming, 170 transfers, 365 graduate
- Gross Tuition = \$126,053,723 (3.7% increase)
- Financial Aid = \$62,035,098 (7.1% increase)
- Net Tuition Growth = \$321,625
  - Increase is all in graduate programs
- Continuing Education = \$1,200,000 (flat)
- Auxiliary Services Growth = \$16,588,529 (4.2% increase)
- Total Revenue Growth = \$919,100 (1% increase)



# 2019-2020 Budget

## Current Budget Expense Assumptions

- Open positions savings (\$400,000)
- FJC savings (\$223,390)
- New President salary
- Student salaries flat even with minimum wage increase
- Benefit increase in medical and dental likely between 5-10%
  - PLU unable to continue to cover all of the cost of the increase.





# 2019-2020 Budget

## Priorities to Fund from BAC

- Salary pool for cost of living, market, & equity increases
  - Pool instead of Across the Board
  - Allow VPs, FAC, HR to make recommendations
- Pool to address staff salary compression due to minimum wage increase
- Faculty promotions
- Continue funding of capital improvements budget
- Budget contingency/reserves (\$1,432,000)



# 2019-2020 Budget

## Budget Finalization Steps

1. BAC made recommendations to PC
2. PC is in process of responding
3. Finalize individual salary adjustments
4. Finalize student wages, S&P budgets
5. Board Approval at May Meeting
6. Publish Budget in Banner



# Spring BAC Priorities

- Undergraduate Tuition Modeling
  - We cannot sustain current discount rate model (high tuition/high discount)
  - Exploring alternative models for potential application in 2020-2021
- Follow up on development of new graduate programs
- J-term pricing



Questions?

---

PACIFIC LUTHERAN UNIVERSITY