

Finance

Town Hall

August 17, 2022

RUTGERS
University Finance
and Administration

Before We Begin...

We are recording.
Attendees have
been placed
on mute.



If you have questions
for the presenters,
use the Q&A function.



We will address
questions at the end of
each presentation.



If you want to talk with
other participants,
please use the chat.



Welcome

J. Michael Gower

Executive Vice President - Chief Financial Officer

University Treasurer



Today's Agenda

Nimish Patel, Associate Vice President and Chief Procurement Officer

Anne Gutsick, Associate Director, Travel Card Program, Procurement Services

Michael Philips, Manager, Travel Program, Procurement Services

David B. Moore, Associate Vice President and Chief Budget Officer

Ask the Expert Sessions

Immediately following Town Hall, via separate Zoom meetings



Travel Program Journey

THE EVOLUTION OF THE RUTGERS TRAVEL PROGRAM

Nimish Patel

Associate Vice President and Chief Procurement Officer

Anne Gutsick

Associate Director, Travel & Card Programs, Procurement Services

Michael Philips

Manager, Travel Program, Procurement Services



Travel Program Journey

Rutgers Travel Program – “*Imperative for Change*”

BTAA 2019 Institutional Procurement Benchmark

| Institution | Travel Booking Tool/Process | Airline Contracts |
|-----------------------|------------------------------------|--------------------------|
| Chicago | Yes | Yes |
| Illinois | Yes | Yes |
| Indiana | Yes | Yes |
| Iowa | Yes | Yes |
| Maryland | Yes | Yes |
| Michigan | Yes | Yes |
| Michigan State | Yes | Yes |
| Minnesota | Yes | Yes |
| Nebraska | "No Data Available" | "No Data Available" |
| Northwestern | Yes | Yes |
| Ohio State | Yes | Yes |
| Penn State | Yes | Yes |
| Purdue | Yes | Yes |
| Rutgers | NO* | NO |
| Wisconsin | Yes | Yes |

BTAA - Big Ten Academic Alliance

* RU Athletics used Anthony Travel Process

Travel Program

NOTABLE ACTIVITIES

COVID-19 hit in early 2020

- Reacted on short notice to ensure safety for students, faculty, staff, and others in our ecosystem

Partnered with Academic Affairs, Rutgers Global, Risk Management, others

- Developed comprehensive end-to-end process for all university travel with strong emphasis on safety

Continue to assess needs and build a universitywide program

- Engaged consultants (TCG and Huron Consulting) and completed a baseline diagnostic
- Conducted a comprehensive request for proposal and compiled business process review
- These informed the working group on future of travel services at Rutgers

Travel Program

WHERE WE WERE IN 2019

- Decentralized and unmanaged travel program
- Policy compliance
- Duty of Care
- Payment method
- Four small travel agencies
- Inability to negotiate contracts with airline and hotel suppliers

Travel Program

WHY CHANGE?

- Struggles when traveling in isolated areas
- Cost outlay by employees between time of purchase & reimbursement
- Only Big 10 university without a managed program
- Best practice





Participant Poll



Travel Program

WHAT IS A WORLD CLASS TRAVEL PROGRAM?

- Streamlined travel booking process tailored for Rutgers
- Increased visibility for Duty of Care (traveler safety and security)
- Comprehensive, global customer service 24/7/365
- Enhanced discounts on air, hotel, and rental car suppliers
- Financial and business intelligence reporting
- Increased policy compliance



Travel Agency

SELECTION PROCESS

- Request for Information
- Request for Proposals (RFP)
 - Travel Agency Presentations
 - Evaluation Committee
- Award



RFP Committees

Core Committee

- Anne Gutsick
- Susan Panacek
- Trish Reynolds

Extended Team

- **Theresa Fronckowiak** (RU-C, Chancellor's Office)
- **Laura Hart** (RU-NB, School of Mgmt. and Labor Relations)
- **Wendy Stellatella** (RU-NB, School of Environmental and Biological Sciences)
- **Mary Tamasco** (RU-N, Chancellor's Office)
- **Diana Uveges** (RU-NB, Student Affairs)

Evaluation Team

- **Erin Cuomo** (Central, Institutional Planning and Operations)
- **Jason DiPaolo** (RU-NB, School of Arts and Sciences)
- **Justin DiPoto** (Athletics)
- **Ben Fan** (Central, Study Abroad)
- **Amy Lina** (RU-C, Chancellor's Office)
- **Nicole McCray** (RU-N, Rutgers Business School)
- **Lori Nesta** (Athletics)

Focus Group Conversations

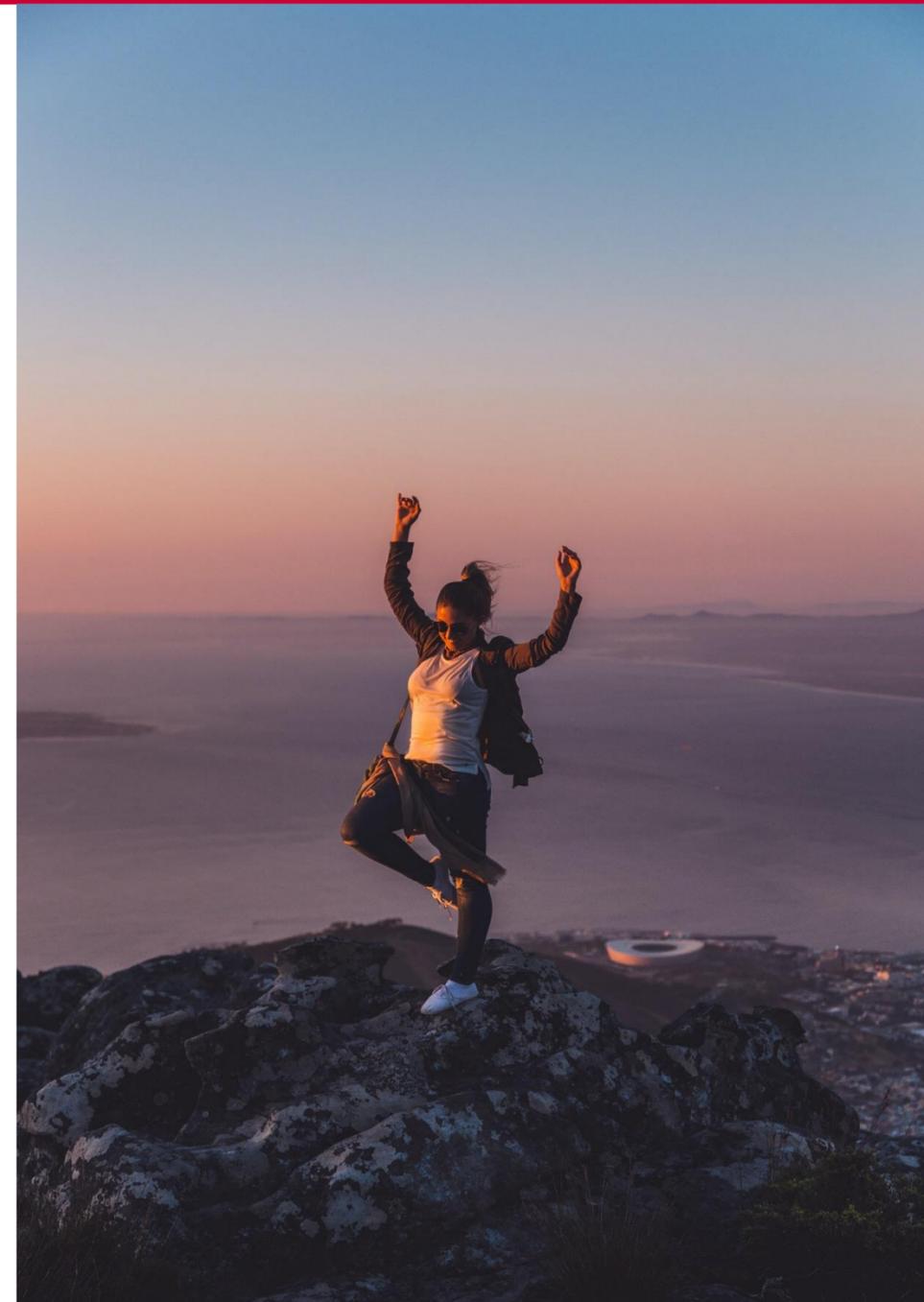
- Athletics
- Audit and Advisory
- Controller's Office
- Risk Management
- Study Abroad



Travel Program

ACCOMPLISHMENTS

- Travel agency implementation
- Online booking tool implementation
- Supplier agreements (airline, hotel and car rental)



Airline Suppliers

UNITED 

 AIR CANADA  Lufthansa

 ANA  brussels airlines  Austrian

 SWISS  AIR NEW ZEALAND

American Airlines 

BRITISH AIRWAYS 

IBERIA 

FINNAIR



JAL



Southwest 
Business

 DELTA
SKYBONUS



Participant Poll



Hotel Suppliers



Travel Program

ACCOMPLISHMENTS

- Integration with Duty of Care supplier, OnCall
- Webinars, training materials, FAQs
- Travel website updates



Travel Program

FUTURE STATE

- End-to-end process from booking to expense reporting
- Cornerstone – Expense Management
- Expand credit card program
- Update travel policy and websites
- Reporting to campuses





*Comments or
Questions?*

Fiscal Year 2023 Budget

David Moore

Associate Vice President and Chief Budget Officer

Total FY 2023 University Budget

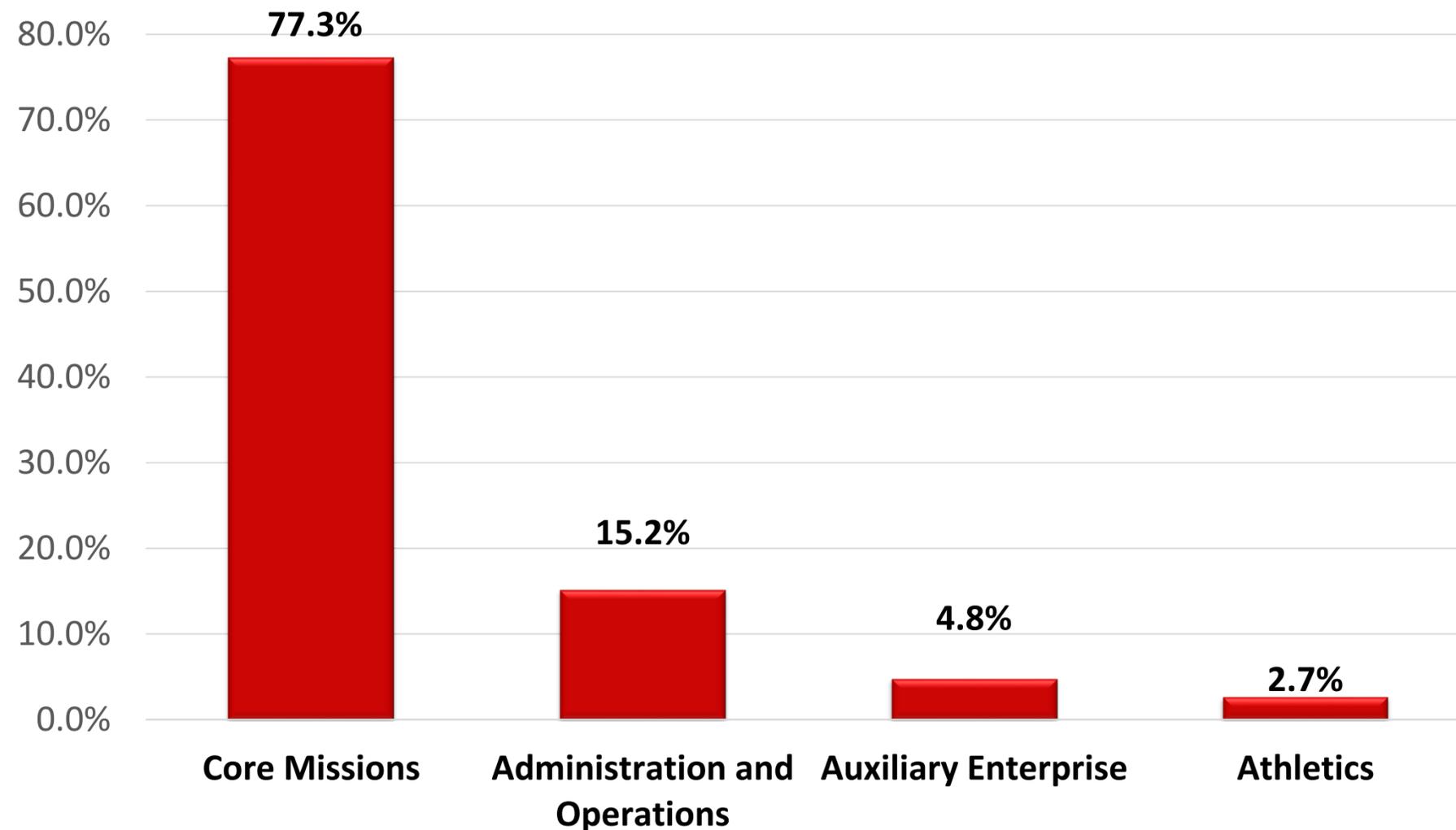
Rutgers' annual budget reflects the values of the university in fulfilling its core priorities of outstanding teaching, research, service, and clinical care, while providing the best academic experience for our students.

The university's \$5.1 billion fiscal year (FY) 2023 total budget is a statement of our priorities, a statement of our values, and a recognition of the fiscal limitations we face together.



Total University Spending – FY 2023 Budget

This budget spends \$5.1 billion on what is most important.



- 77.3% is spent on our core missions of student instruction, research, public service, and patient care.
- 15.2% is spent on administration, operations, and maintenance.
- 4.8% is spent on auxiliary enterprise.
- 2.7% is spent on Athletics.

Total University Spending by Expense Function

This budget spends \$5.1 billion on what is most important.

- **Classroom instruction and academic support** includes faculty compensation and staff support for academic units, libraries, and deans' offices: \$1.6 billion, or 32.3%
- **Student services and scholarships** include financial aid admissions and social/cultural events: \$588.2 million, or 11.6%
- **Sponsored research and other sponsored programs** include funds spent on research associated with federal, state and nongovernmental grants and contracts: \$655.6 million, or 12.9%
- **Public service, extension, and patient care** include agricultural extension programs, delivery of health care, support for health clinics, and community services provided throughout the state: \$1.0 billion, or 20.5%

Total University Spending by Expense Function

This budget spends \$5.1 billion on what is most important.

- **General Administration** includes support for central administrative offices such as research administration, finance, human resources, procurement, legal, and the office of the university president: \$533.6 million, or 10.5%
- **Operations and Maintenance** of all Rutgers buildings include insurance, fuel, upkeep, and utility costs: \$241.4 million, or 4.7%
- **Auxiliary Enterprise** includes housing and dining operations as well as parking and transportation costs: \$241.9 million, or 4.8%
- **Athletics** includes the 24 men's and women's Division 1 sports programs at RU-New Brunswick: \$135.9 million, or 2.7%

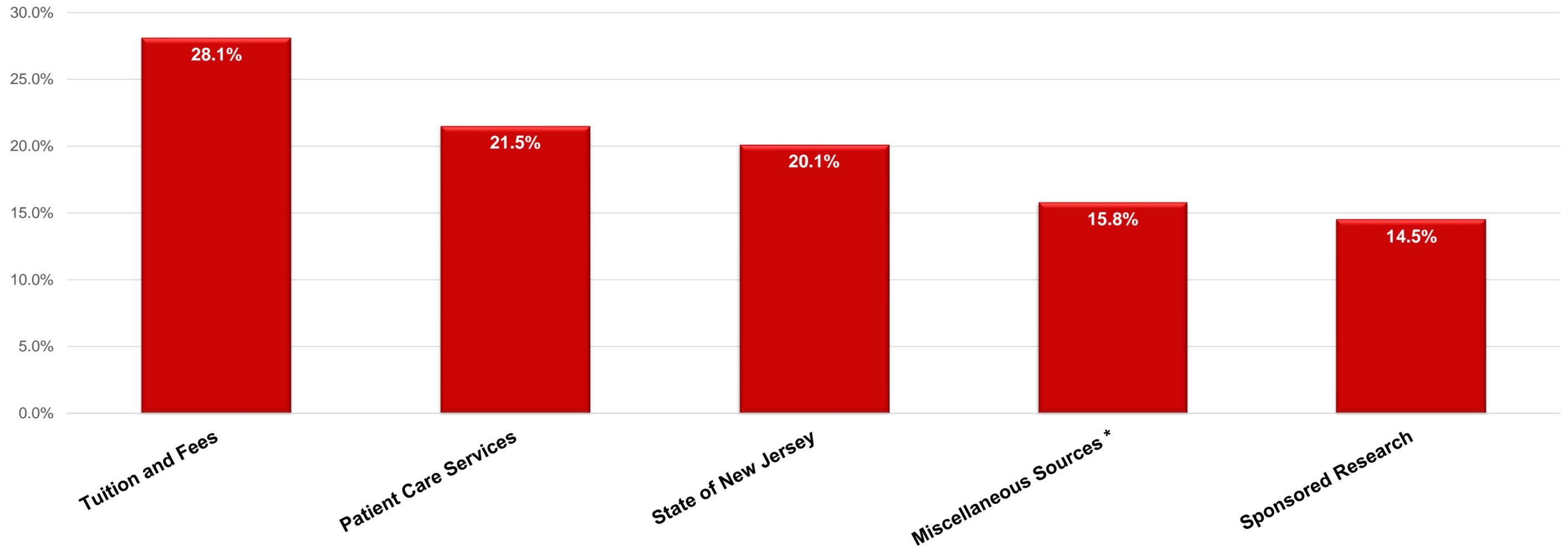


Participant Poll



Total University Revenues – FY 2023 Budget

Where does the funding come from? That, too, is a statement of our values.



* Miscellaneous Sources include: Auxiliary Enterprise, Student Aid, Athletics as well as Endowment and Investment Income.

FY 2023 Budget

Tuition and Fees

FY 2023 Tuition, Fees, Room and Board

Our aim is to keep Rutgers among the most affordable major public research universities in our peer groups

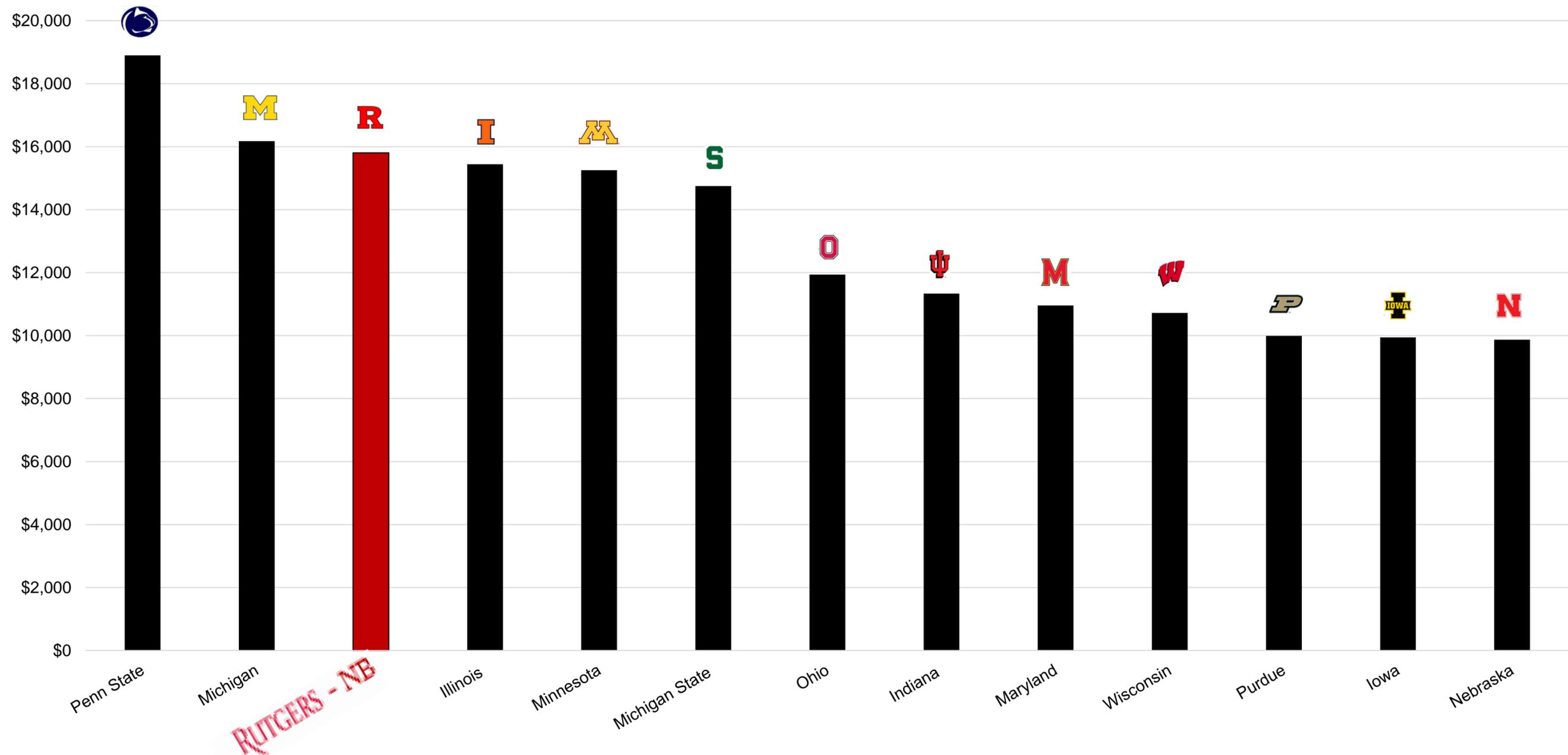


The FY 2023 budget includes a 2.9% increase in tuition and a 2.9% increase in mandatory fees for most undergraduate and graduate programs.

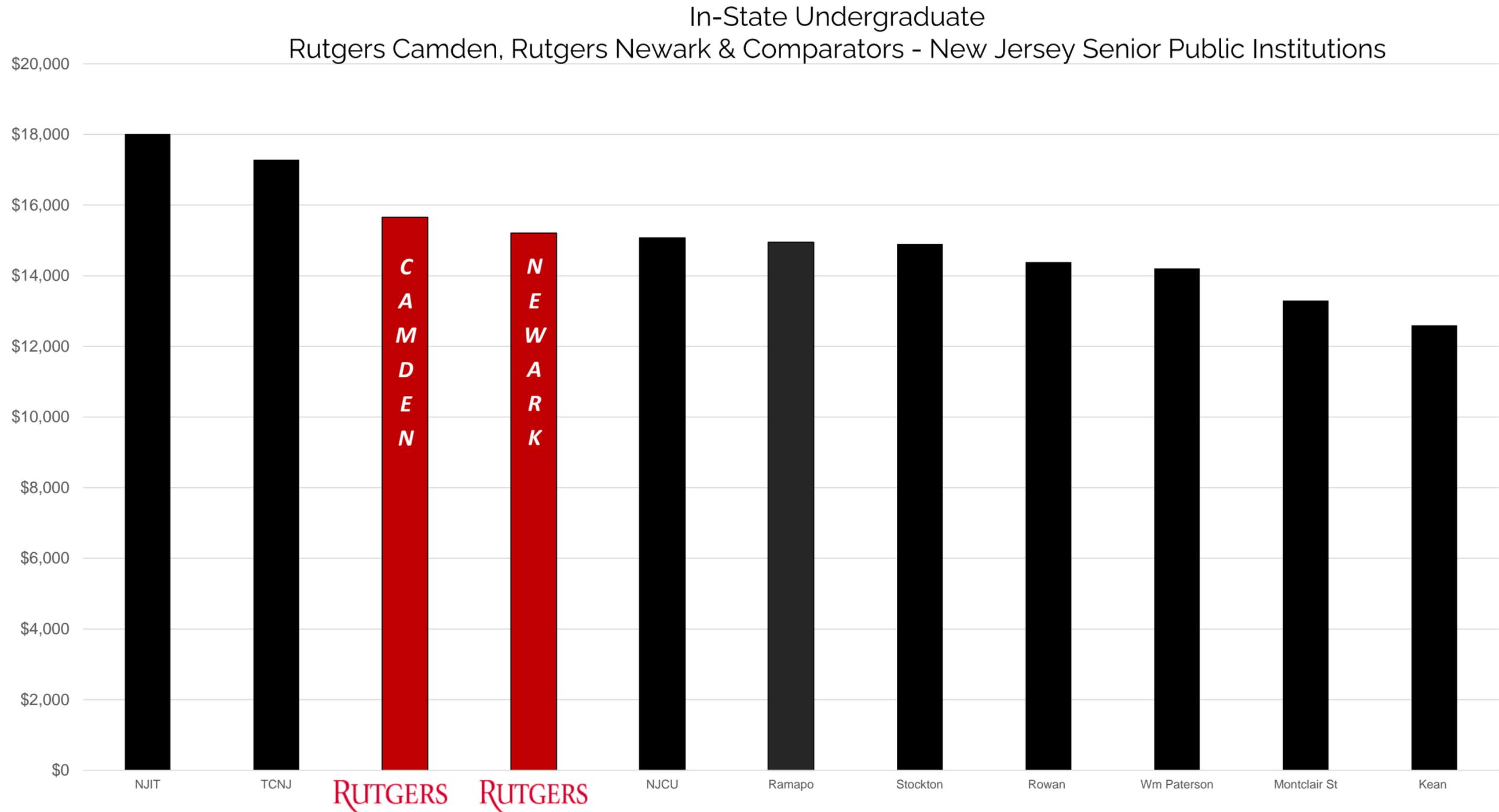
Prudent budgeting and careful attention to expenditures have allowed us to strike a tuition rate increase that is nearly two-thirds **below** the current rate of inflation.

FY 2022 Tuition and Fee Comparators

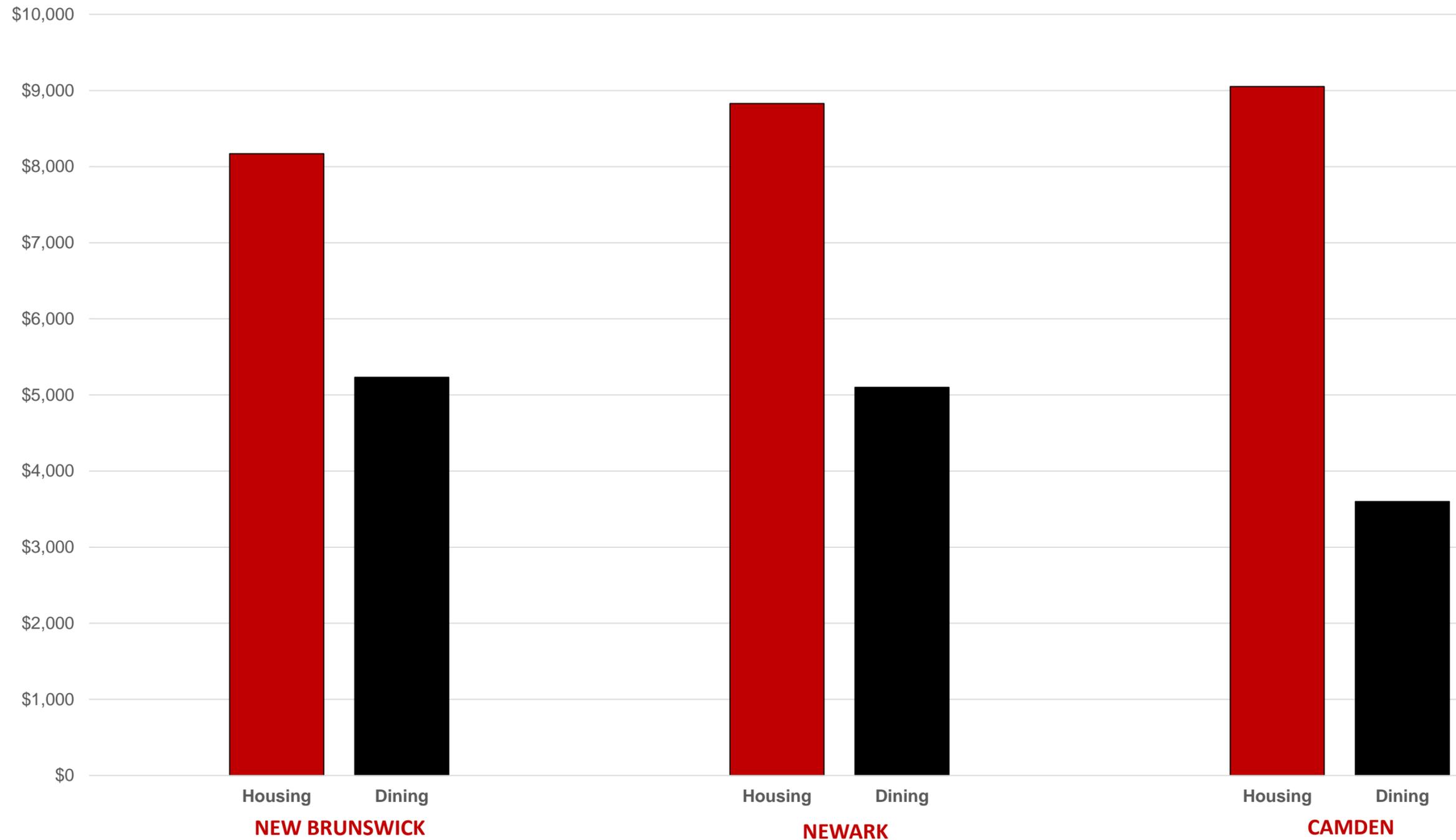
In-State Undergraduate New Brunswick & Comparators – Big 10 Public Institutions

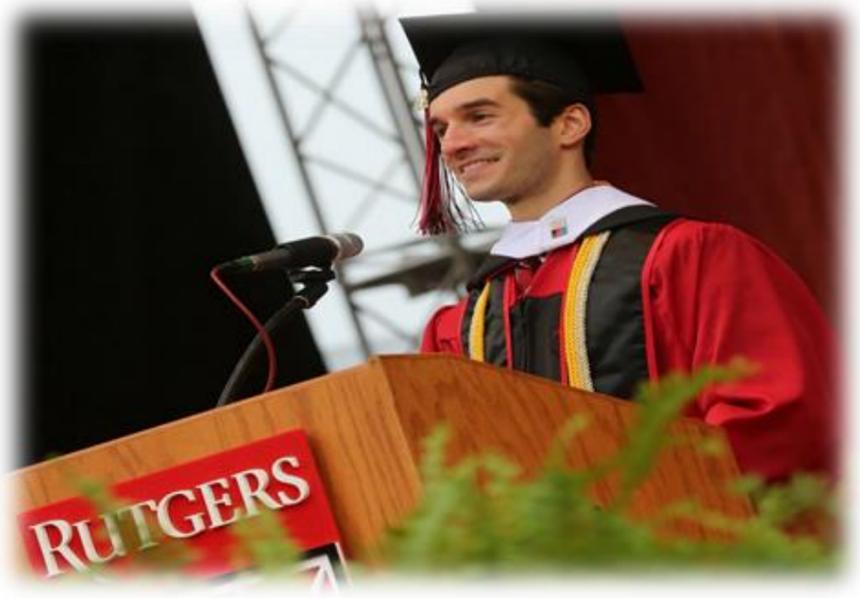


FY 2022 Tuition and Fee Comparators (cont.)



FY 2022 Rutgers Room and Board



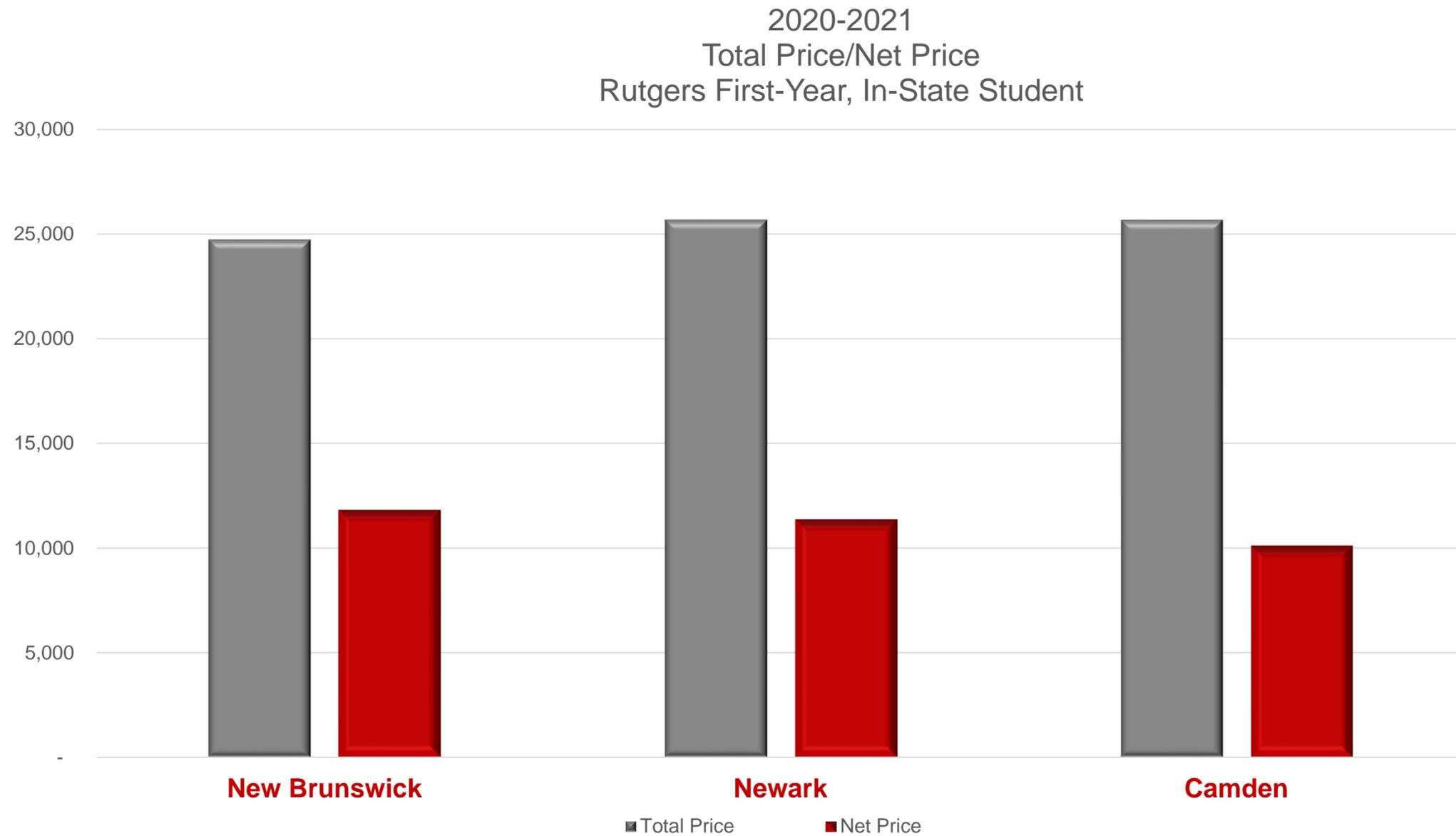


Keeping
Rutgers
Affordable



Affordability

By combining substantial financial aid from the University with qualifying state and federal aid programs, the typical first-year, in-state Rutgers student paid less than the published tuition rate during the academic year 2020-2021.

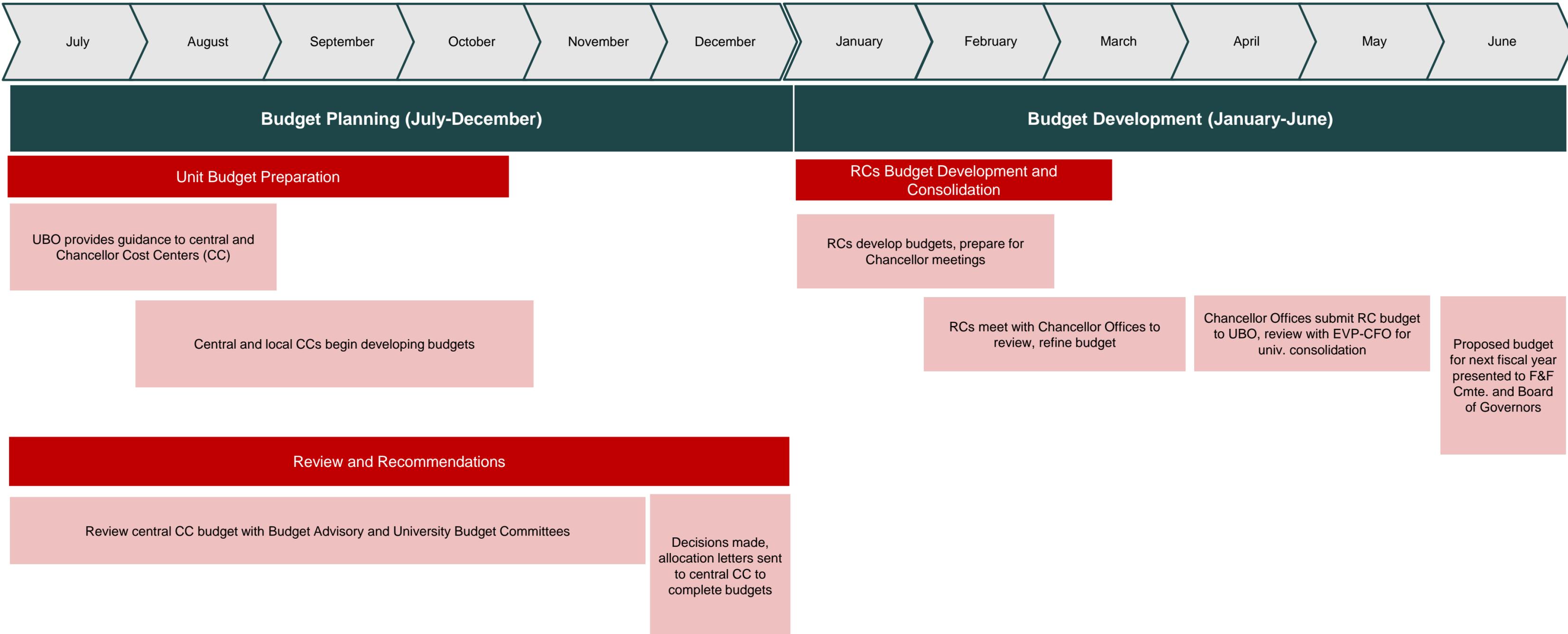




Participant Poll



Rutgers University Budget Process



Acronyms

CC – Cost Center
 EVP-CFO – Executive Vice President-Chief Financial Officer
 F&F – Facilities & Finance
 RC – Responsibility Center
 UBO – University Budget Office

State of New Jersey Budget Process



Budget Development (July-March)

Agency Budget Preparation

Governor/OMB review priorities, update economic forecast, set preliminary revenue estimates

Rutgers generates and submits Budget Initiative Form requests

Review and Recommendations

Governor/OMB review, analyze agency budget requests; develop recommendations

Governor makes final decisions, introduces budget to Legislature

Budget Deliberation (February-June)

Legislative Action

Review, analyze budget

Review, analyze, revise revenue estimates

Review, analyze, refine recommendations for appropriations

Gov. Review

Gov. signs, vetoes/ returns to Legislature with amendments

Gov. signs final Appropriations Bill into Law

Acronyms
 Gov. -- Governor
 OMB – State of NJ Office of Budget and Management



*Comments or
Questions?*



Thank You!



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