Board Retreat

September 29, 2016
Key Issues

- Net Tuition & Fees
- State Appropriations
- Salary & Benefits
- Capital

Financial Resources – Debt, Liquidity, Endowment
Revenue / Expenditure Components

Net tuition and fees: 43%
Grants and contracts: 18%
Auxiliary enterprises: 13%
State operating appropriations: 12%
Endowment distributions & other investment income: 7%
Gifts: 3%
Other revenue: 4%

Supplies, materials and purchased services: 23%
Depreciation & amortization: 8%
Travel: 3%
Debt service: 2%

Total Compensation: 64%
# Financial Resources and Obligations ($000s)

## Assets

- Operating investments
- Accounts receivable, prepaid expenses, inventory & restricted deposits
- Endowment funds
- Funds held in trust by others
- Property, plant & equipment
- Accounts payable & accrued liability
- Deferred revenues & other liabilities
- Long term liabilities & obligations

## Liabilities

- Post employment benefit obligations - State of DE
- Deferred maintenance
- Long term debt
- Post employment benefit obligations

## Chart Notes

- Operating funds in endowment
- Assets and Liabilities breakdown for the University of Delaware.
Tuition & Fees and State Appropriations
Benefits Cost
Benefits Cost

- 10% of salaries
- 5% of salaries
- 15% of salaries
- 20% of salaries
- 25% of salaries
- 30% of salaries
- 35% of salaries
- 40% of salaries
- 45% of salaries

2009: 120,000
2010: 120,000
2011: 130,000
2012: 140,000
2013: 150,000
2014: 160,000
2015: 170,000
2016: 180,000

11.8% Growth

Benefits
Post employment benefits
% of salaries
Fringe Benefit Components ($000s)

- Group Health
- Retirement
- Post Employment Accruals
- FICA
- Tuition Remission
- Other

19.1% Growth
Explore methods to incentivize healthy behaviors

Conduct audits of the health plans and Pharmacy Benefits Manager

Benchmark health benefits package

Create a plan structure to drive members to cost effective care based on their needs

Implement tiered laboratory pricing

Implement plan changes to control cost of pharmaceuticals and use of generics

Investigate simplifying plan options
Capital
Major Building Portfolio Gross Square Footage (GSF)

36% of UD GSF


134 38 262 182 183 432 992 889 1,181 948 1,295 669 0

0 200 400 600 800 1,000 1,200 1,400

(000s)
History of State Capital Appropriations

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Potential Levers

Tuition Rates

Student Enrollment

Philanthropy

Entrepreneurial Revenue

Compensation

Benefit Costs

Administrative and Academic Efficiencies

Space Utilization

Endowment Payout

Debt, Liquidity and Financing Activities