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Executive Summary
STDV is a support unit which provides administrative support to the Student Affairs and Enrollment Management (SAEM) division. SAEM provides a multitude of services to enhance the student experience at the University, including housing, health and wellness services, and career services. Financial operations for STDV are stable and fund balances are relatively high. Unit intends to decrease fund balances over the next four years to support the Student Success District and other strategic goals. Unit is requesting a modest increase to RCM allocated funds in the amount of roughly $50K annually. More information is needed to justify this request. Primary revenue to the unit comes from allocated funds and student services fee revenue. Primary risk to unit involves decreasing enrollments and the effect this could have on revenue over time. Current recommendations are to conserve operating costs as much as possible by improving operating efficiencies, while still contributing adequate resources towards pursuit of strategic goals.

Organization Overview

Business Model, Business Cycle, Services Provided, Mission
Student Affairs and Enrollment Management (SAEM) is a support unit which offers a variety of programs and services to students to enhance their higher education experience. These include auxiliary enterprises such as UA Bookstores, Student Unions and Resident Life, as well as other support services including career planning and leadership programs. Revenues come from a variety of sources, including auxiliary funds, allocated funds, and student fees. Business activity remains constant throughout the academic year with a temporary decline in activity in the summer months, particularly as it pertains to auxiliary units. Department 9909-VP Student Affairs & Enrollment Management offers central administrative support to the SAEM Division as a whole.
FTE, Space, Location, Placement in Org Hierarchy

Org Hierarchy: STDV consists of a single department-9909-and STDV rolls up to the SAEM Division.

FTE: 50 total

50 Employee FTE:

- Administrative, 6%
- Classified Staff, 18%
- Professional, 4%
- Service Professional, 60%
- Student Worker, 12%

Space and Location:

<table>
<thead>
<tr>
<th>Building ID</th>
<th>Building Name</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>0066.00</td>
<td>Administration</td>
<td>3,432.00</td>
</tr>
<tr>
<td>0076.00</td>
<td>Richard A. Harvill Building</td>
<td>1,154.00</td>
</tr>
<tr>
<td>0128.00</td>
<td>Martin Luther King Jr. Student Center</td>
<td>662.00</td>
</tr>
<tr>
<td>0158.02</td>
<td>Louise Foucar Marshall Building</td>
<td>1,378.00</td>
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<tr>
<td>0184.00</td>
<td>Arid Lands Studies</td>
<td>910.00</td>
</tr>
<tr>
<td>0488.00</td>
<td>UA-Yuma Academic Center</td>
<td>4,591.00</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>7,536.00</td>
</tr>
</tbody>
</table>
Forecasting Methodology/Submission Overview

Budgeting Accuracy Historically

For FY18, Budget to Actuals was accurate in most categories. The only major variance was Operating Expenditures, which was 32% ($452,000) lower than anticipated. The cause of this discrepancy was reduced FTE and increased operating efficiencies.

Submission Completion

Submission deadline was met by unit and a complete narrative was included. Unit also included back-up documentation.

Responsiveness

Unit responded to follow-up questions from Analysts within 48 hours.

Problems in Submission?

Submission was timely. No problems observed.

Financial Analysis

Summary

Overall Financial Health/Historical Trends

Unit has historically been stable and demonstrated prudent financial management. Primary source of funds comes from tuition, fees, and RCM allocated funds. Unit is expecting to decrease fund balances over the next four years through strategic initiatives to support student success, including support of the Student Success District.

Risks/Concerns

Primary risk to unit is decreasing enrollments, which could lead to lower revenue. Unit initially has adequate fund balances to protect against this possibility, but low enrollments could lead to decreased student fee and allocated revenue over time.

Current Market Conditions/Outlook

STDV offers support to organizations throughout campus in order to support a wide variety of student needs. Demand for such services remains high for students enrolled, however, if fewer students enroll over time this would naturally lead to a lower demand for services.
Revenues

Volatility/Stability

Revenues in this unit are stable with some small variations in funding mix over the next four years.

Trends/Ratio Analysis

- Sharp decline in RCM Allocated sources in FY18 resulting from a change in the way the Disability Resource Center (DRC) was funded. Moving forward, DRC will be funded directly with institutional funds.
- FY18-21 Local Tuition and Fees revenue is forecasted to increase at an average rate of about 14% annually. This is due to increase in Student Services Fee from $80/year to $150/year.
- Sponsored Projects revenue is anticipated to drop off sharply in FY20, with no revenues anticipated beyond FY21.

Requests for New Allocations and Relation to University Strategic Goals

- Request to increase RCM allocation by $50,000 annually.
Revenue Mix & Associated Risk Factors (analysis of revenue by fund/sub-fund/shell where appropriate)

- Student Services Fee (STUDSVCFEE) is major source of revenue for this unit and is expected to increase as fee nearly doubled in FY18
- Other shell revenues expected to remain stable
Expenditures/Transfers

Trends/Ratio Analysis

- Payroll: 2% average annual increase in P/S over the next four years
- ERE: average rate of 33%; 4% average annual increase
- Operating/Travel/Aid: 3% average increase
- Transfers out: 55% of sources, increasing about 7% over the next four years due to support of the Student Success District

Components of Expense & Associated Risk Factors

Transfers out constitute roughly 55% of sources each year. Potential issues could arise if enrollments were to decrease. This would lead to a decrease in Student Services Fee revenue. If inter-departmental transfer obligations were not adjusted accordingly fund balances would decline.

Debt/Loan Obligations

STDV does not have any debt/loan obligations currently.
Inter-Department Obligations/Commitments

STDV has various ongoing commitments/obligations to support student recreational, academic and professional development programs throughout campus. 55% of total sources are transferred out to other units to support such programs.

Fund Balance

Year-Over-Year Total Fund Balance Change Over Time

Uses anticipated to exceed sources over the next four years by roughly $500K annually. This aligns with unit’s goal to reduce fund balances to 10% of total annual operating expenditures or less. The excess funds will be used to support strategic initiatives of the University such as support of the Student Success District.
Reserves by Fund/Sub-fund

Above fund balances fall within desired thresholds except for State funds, which exceed desired threshold of 20% or less (FY18 ending fund balance/expenditures in for State funds=257%). As previously mentioned, unit plans to decrease fund balances (including State funds) to levels of about 10% or less of total operating expenditures.

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated - Allocated</td>
<td>11,852</td>
<td>16,748</td>
<td>36,791</td>
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<tr>
<td>Designated - Unallocated</td>
<td>2,524,816</td>
<td>2,583,972</td>
<td>2,323,502</td>
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<tr>
<td>Other Funds</td>
<td>2,031,245</td>
<td>2,115,970</td>
<td>2,185,560</td>
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<tr>
<td>Restricted Funds</td>
<td>77,137</td>
<td>66,585</td>
<td>66,724</td>
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<tr>
<td>State Funds</td>
<td>486,734</td>
<td>491,511</td>
<td>583,745</td>
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</table>

![Fund Balances by Fund Type](image-url)
Components of Fund Balance

<table>
<thead>
<tr>
<th>Category Name</th>
<th>Derived Level Name</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS</td>
<td>Cash and Equivalents</td>
<td>2,625,997</td>
<td>2,609,075</td>
<td>3,130,246</td>
<td>3,027,500</td>
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<tr>
<td></td>
<td>Current Investments</td>
<td>93,750</td>
<td>-76,625</td>
<td>8,099</td>
<td>77,689</td>
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<td></td>
<td>Receivables</td>
<td>0</td>
<td>700</td>
<td>0</td>
<td>0</td>
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<td></td>
<td>Prepaids and Clearings</td>
<td>26,378</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td></td>
<td>Due From Others</td>
<td>2,107,870</td>
<td>2,107,870</td>
<td>2,107,870</td>
<td>2,107,870</td>
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<tr>
<td>ASSETS Total</td>
<td></td>
<td>4,853,996</td>
<td>4,641,020</td>
<td>5,246,216</td>
<td>5,213,060</td>
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<tr>
<td>LIABILITIES</td>
<td>Accounts Payable</td>
<td>19,696</td>
<td>1,052</td>
<td>41,083</td>
<td>486</td>
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<tr>
<td></td>
<td>Deferred Revenue</td>
<td>105,075</td>
<td>73,927</td>
<td>79,252</td>
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<tr>
<td></td>
<td>Deposits</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Other Liabilities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>LIABILITIES Total</td>
<td></td>
<td>19,696</td>
<td>106,127</td>
<td>115,011</td>
<td>79,738</td>
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<tr>
<td>Fund Balance Total</td>
<td></td>
<td>4,834,300</td>
<td>4,534,893</td>
<td>5,131,205</td>
<td>5,133,322</td>
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</tbody>
</table>

**Future Commitments Against Reserves and Relation to University Strategic Goals**

Reserves are committed towards support of Student Success District, which directly supports the University’s strategic goal of enhancing the student experience at the University of Arizona.

**Recommendations**

**Changes to Business Model**

None recommended at this time.

**Funding Needs**

Unit appears to have adequate funds to support operations and strategic initiatives over the next four years. Additional funding via request for new allocation requires further research to determine necessity.

**Financial Operations**

We recommend unit improves efficiencies and conserves operating funds as much as possible to help ensure long-term financial health over time, especially in the face of a changing higher education landscape and decreasing enrollments.
Other Comments