University Finance and Administration

Finance Town Hall

RUTGERS UNIVERSITY
Finance and Administration

ACCOUNTABILITY ★ SUPPORT ★ COLLABORATION ★ UNDERSTANDING
TRUST ★ STRATEGIC ALIGNMENT ★ HOW WE WORK

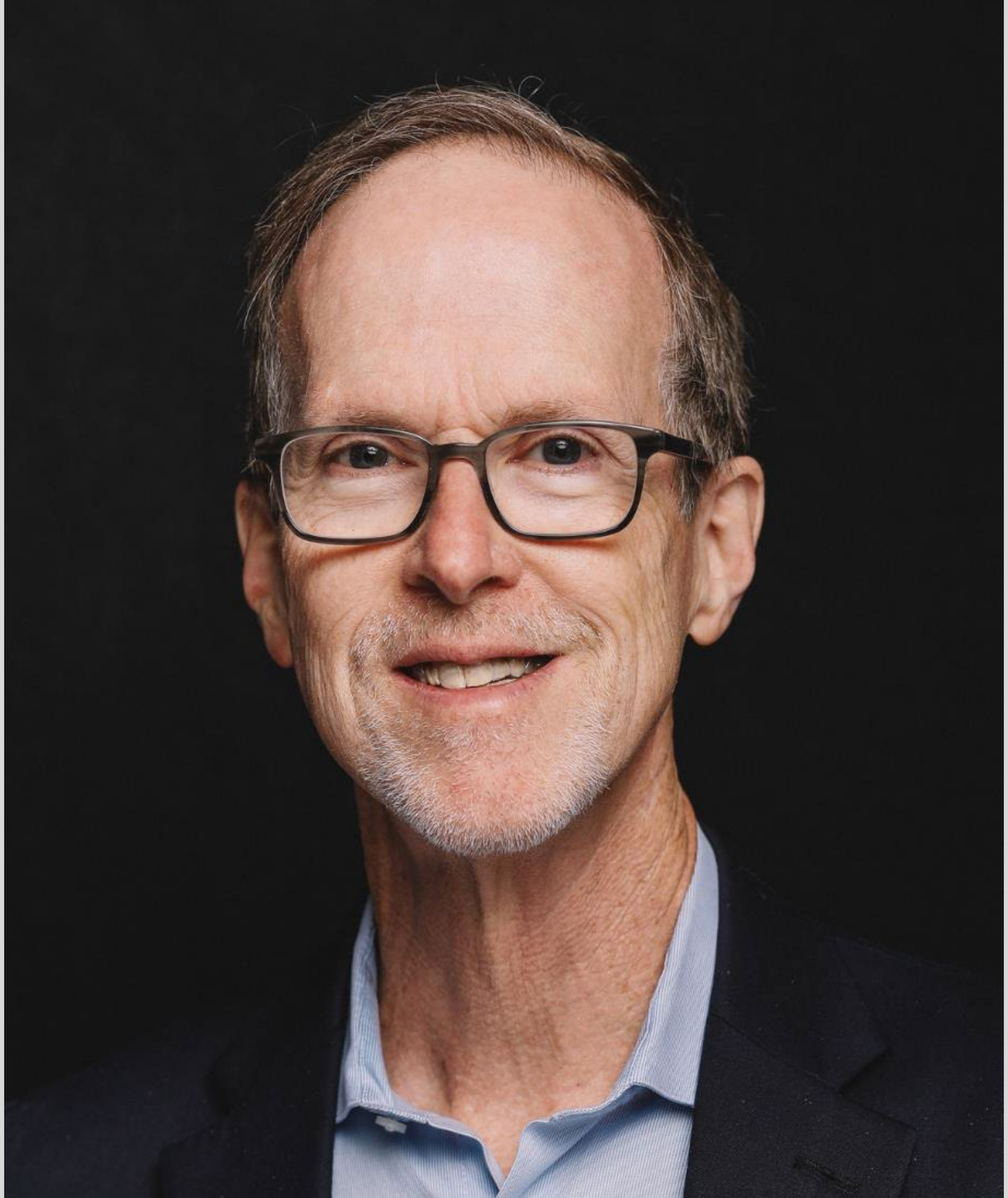
August 2024

Before we begin

We are recording. Attendees have been placed on mute.

We will address questions throughout the meeting.

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



Meet the Presenter

J. Michael Gower

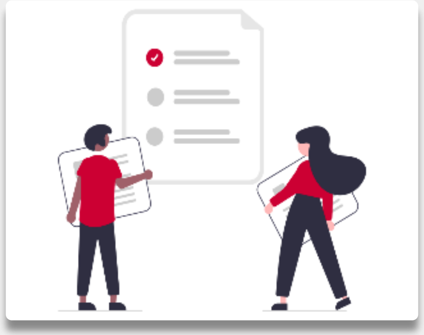
Executive Vice President-Chief Financial Officer
& University Treasurer

Mike is the Executive Vice President - Chief Financial Officer & University Treasurer at Rutgers where he leads financial management and planning, procurement, and strategic administrative system initiatives. As part of his role at Rutgers, Gower was responsible for the financial integration of former units of the University of Medicine and Dentistry of New Jersey (UMDNJ) into the university.

On the Agenda

Higher Education Trends: Financial Sustainability

University Finance and Administration
Guiding Principles and Values



Support & Collaboration

Understanding & Trust

How We Work

Strategic Alignment

Accountability

Agenda

TRENDS IN HIGHER EDUCATION
Financial Sustainability
J. Michael Gower

SYSTEM UPDATE
Introducing Concur Travel and Expense
Maggie Quinn
Lauren Ruiz

BUDGET UPDATE
Fiscal Year 2025 Budget
David B. Moore

WRAP UP
Q&A
All presenters

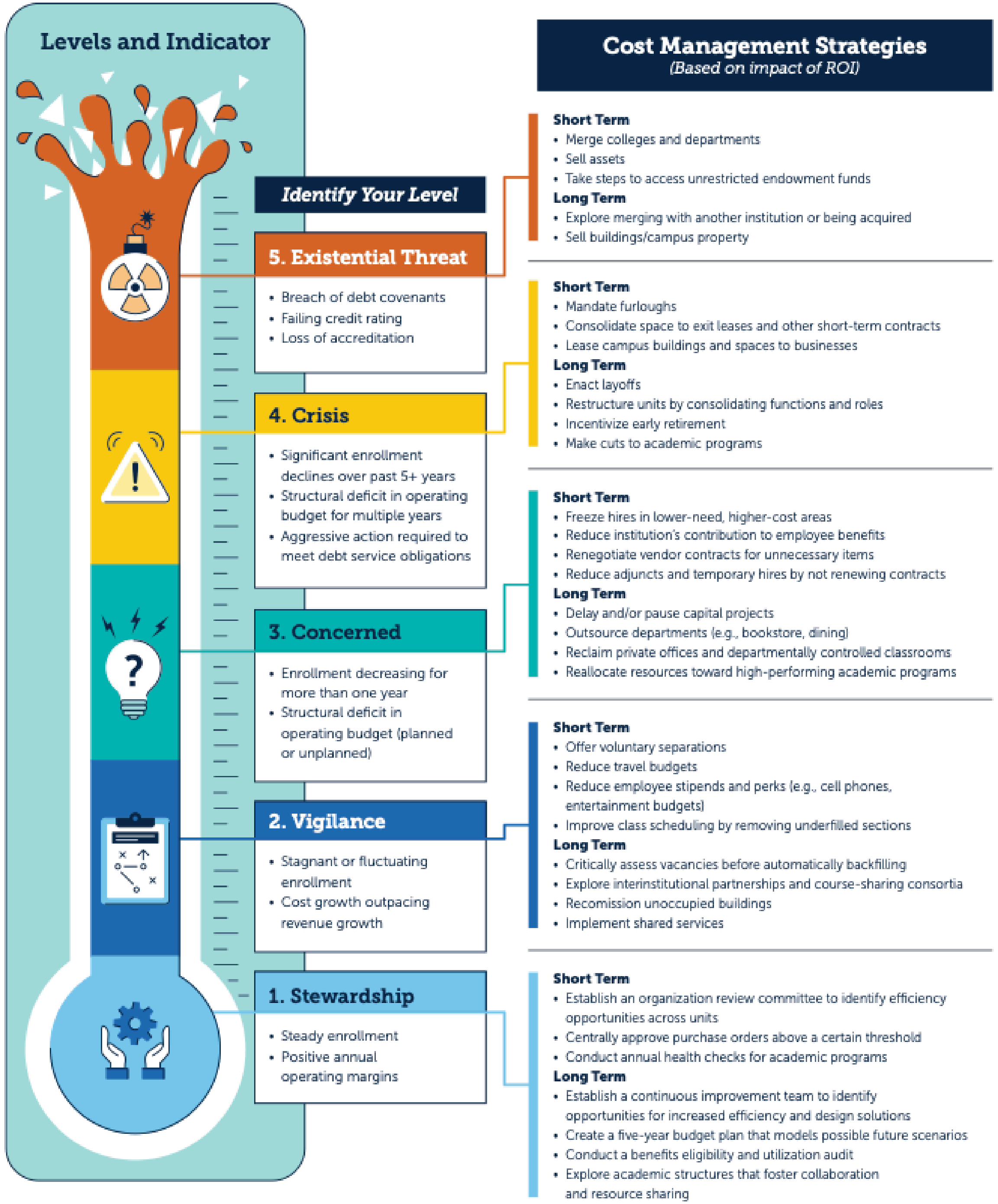
Conclusion

Trends in Higher Education

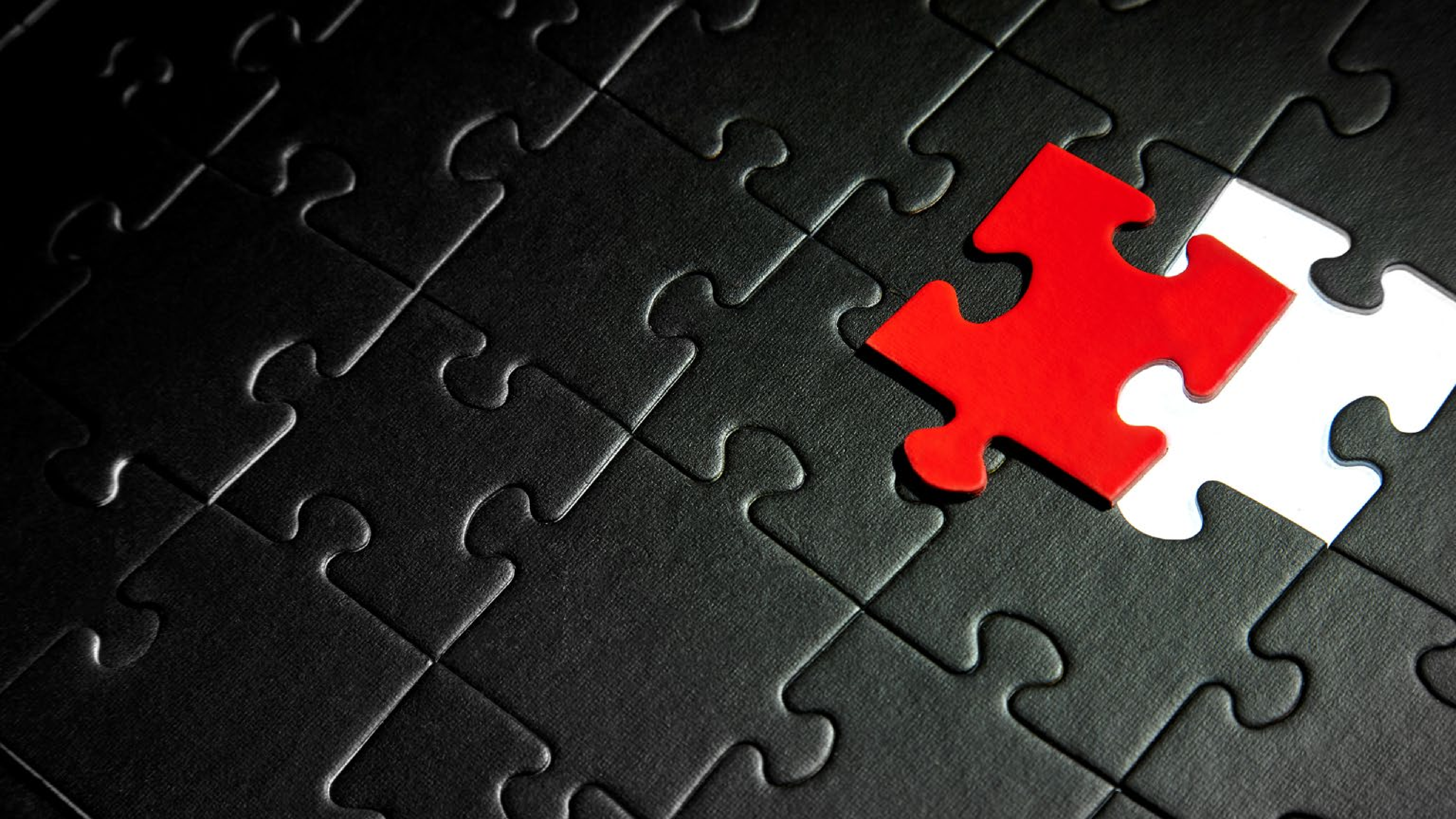
The five levels of financial performance

to guide proactive planning

in higher education



https://eab.com/resources/infographic/five-levels-financial-performance-proactive-planning-higher-education/



Structural deficit

Organization and program inefficiencies
Internal and external competition
Evolving workforce expectations
Changing market expectations
Shifting enrollment patterns
On-going inflation pressure
Under-optimized assets
One-time funding
Cost of benefits
Compensation
Duplication

Introducing a financial strategy for Rutgers

Financial Strategy

RUTGERS UNIVERSITY

UNIVERSITY POLICY

40.1.4 Financial Strategy

Section Title:	Financial Management
Approval Authority:	President
Responsible Office(s):	Off. of Administration & Finance
Responsible Executive(s):	Exec. V.P. – Chief Financial Officer & University Treasurer
Adopted Date:	06/20/2024
Reviewed Date:	
Contact Information:	

1. Policy Statement

Rutgers University will operate in a financially sustainable and responsible manner, optimizing resources to secure long-term viability and success.

2. Reason for Policy

The Financial Strategy aims to establish a high level of financial capacity and stability for Rutgers University that enables it to fulfill its mission and sustain operations into the future. This requires prudent resource management to ensure long-term financial health and to uphold public accountability. This Strategy lays the groundwork for achieving these goals.

3. Who Should Read This Policy

The Financial Strategy should be read by leaders and managers throughout the university.

4. Resources

Financial performance metrics

Operating margin

Debt service coverage

Operating philanthropic support

Credit agency rating

Days cash on hand

Intergenerational equity

Spendable cash and investments to debt

Internal bank solvency

Capital renewal ratio

Meet the Presenter

Maggie Quinn

Associate Vice President of Procurement and
Chief Procurement Officer

Maggie shapes the vision, mission, and strategy for University Procurement Services (UPS), a division in University Finance and Administration. She oversees strategic procurement programs and ensures that UPS maintains exceptional customer service practices and efficient procure-to-pay systems to support the needs of the both internal and external partners.

On the Agenda

Introducing Concur Travel and Expense

SYSTEM UPDATE

Introducing Concur
Travel & Expense

Travel, by the numbers

Snapshot of travel activity at Rutgers

Types of expenses

Rutgers business travel

Travel-related expenses

Funding sources

University travel card

Reimbursement of personal funds

17K
Air tickets

$9.6M
Air ticket spend

2,350
Rail tickets

$350K
Rail spend

4,200
Car rentals

$200K
Car rental spend

Approximate figures displayed

Card Services, by the numbers

Snapshot of card-related activities

Types of cards

Purchasing cards

Travel cards

Fuel cards

600 Purchasing cards	$11M Purchasing card spend
400 Travel cards	$20M Travel card spend
330 Fuel cards	$320K Fuel card spend

Approximate figures displayed

Expense Reports, by the numbers

$10.5M

Amount reimbursed

20,800

Expense reports

4,000

Audited reports

Approximate figures displayed

Concur Travel and Expense unifies the online booking tool with expense management

Travel Booking Tool

Adopted in 2022

Enabled online booking

24/7 customer service

Insights for units

Traveler care

Integration with loyalty programs

Concur Expense Tool *(replaces Oracle Expense)*

Launched July 1, 2024

Integrated access to pre-travel steps, travel booking, and expense reporting

Simplified expense reimbursement processes

Pre-populated expense reports for added convenience

Streamlined management of university cards, including the elimination of the need for journal entries

Mobile-friendly systems for on-the-go management

Meet the Presenter

Lauren Ruiz

Travel Operations Manager

Lauren has worked in the travel industry for 14 years most recently with American Express Centurion. She joined Rutgers in January of this year and manages the University travel program. She also led the implementation of Concur Expense.

On the Agenda

Introducing Concur Travel and Expense

Concur Expense Implementation

Procurement Services

Project management team & implementation partners

Implementation process

Advisory Council

University stakeholders

Concur Expense: Key Travel Features

Pre-trip Approval

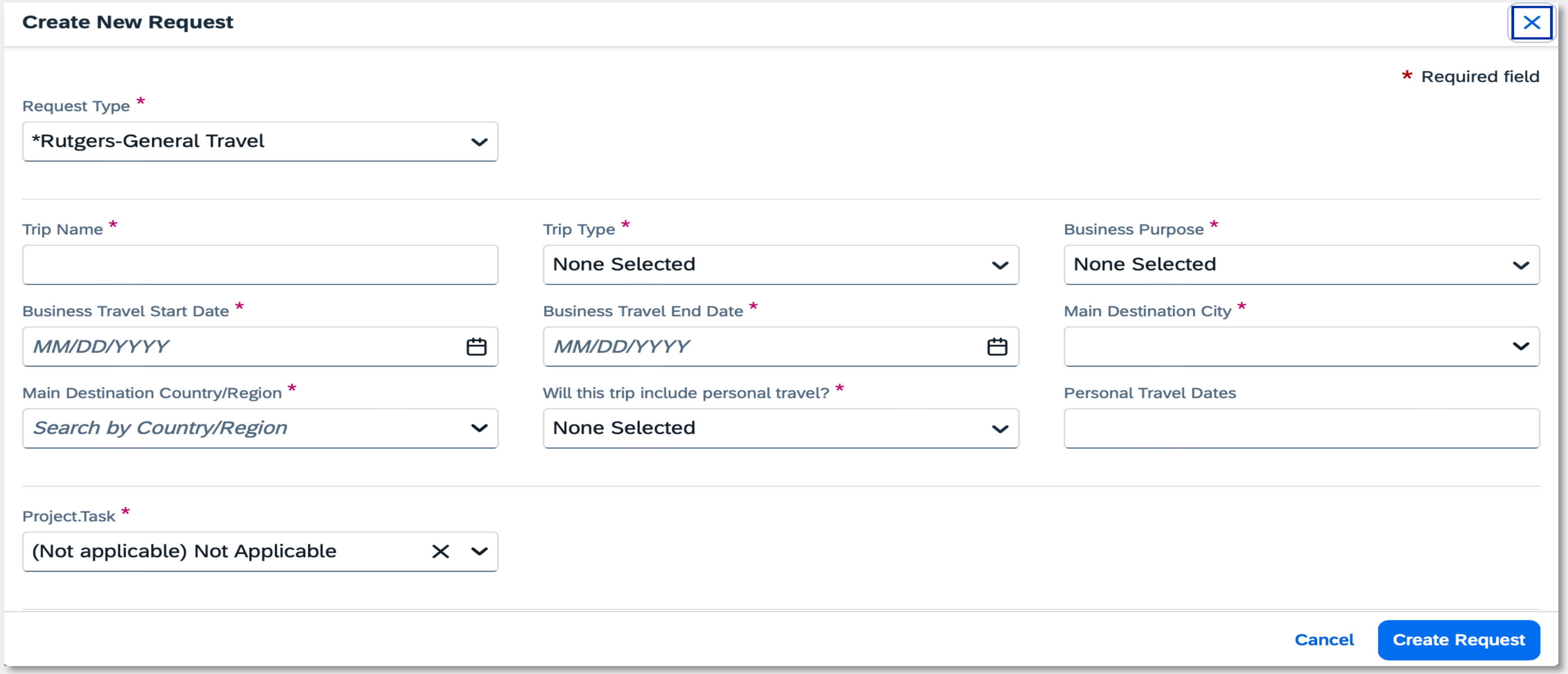
Required travel authorization requests now can be completed online in Concur when booking air, Amtrak, hotel, or car rental.

Personal Car Mileage

The new system automatically calculates the appropriate reimbursement rate for personal car travel, eliminating the need for uploading supporting documentation.

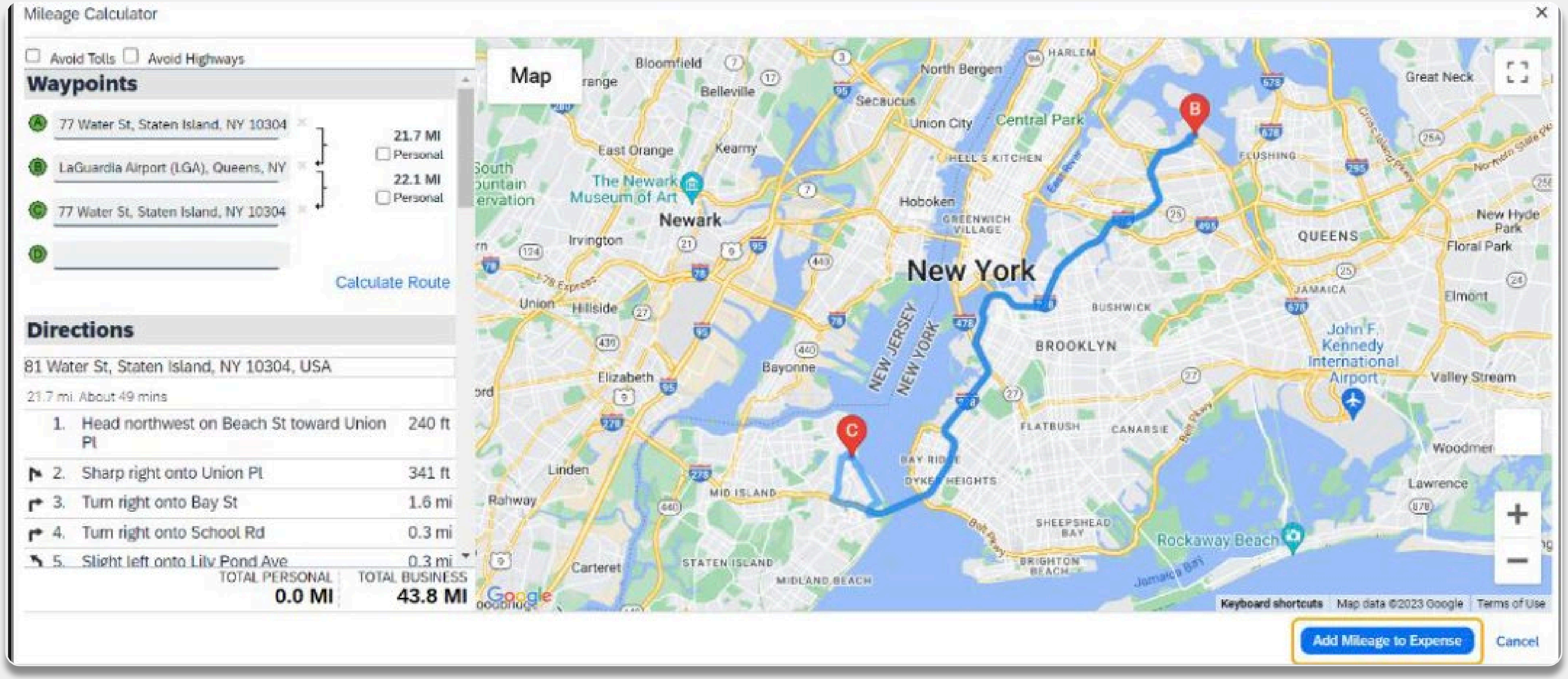
Per Diem Calculation

When incorporating a travel allowance into planning, users can automatically estimate a value tailored to their trip, based on duration and destination.



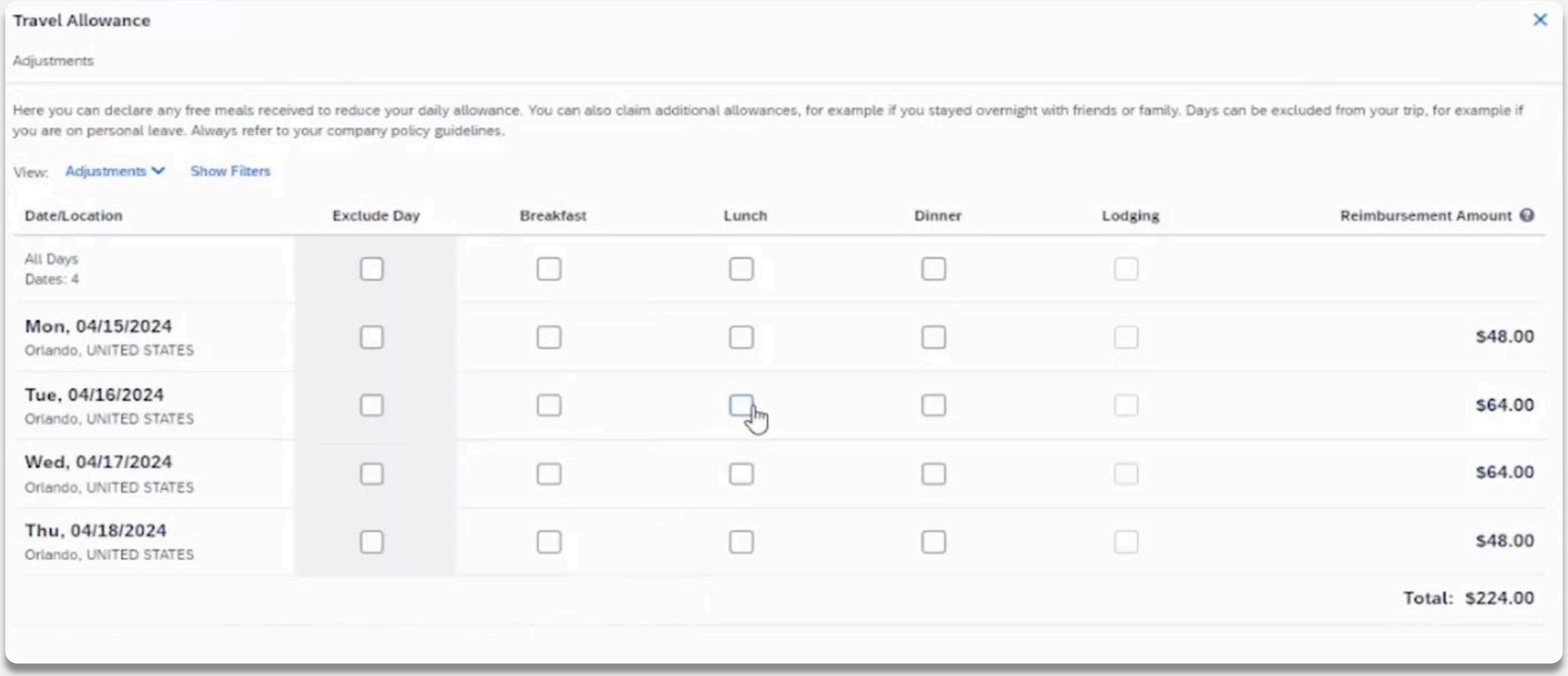
Pre-trip Approval (travel authorization requests)

Travelers must prepare and submit a travel request in advance of Rutgers business travel. In Concur, all pertinent information can be easily added, including appropriate charging instructions and flexibility for incorporating personal travel, when applicable.



Personal car mileage calculations

Travelers can calculate reimbursement for mileage and add it to an expense report directly in the system, eliminating the need for calculating separately and uploading backup documentation into the system.



Travel Allowance

Adjustments

Here you can declare any free meals received to reduce your daily allowance. You can also claim additional allowances, for example if you stayed overnight with friends or family. Days can be excluded from your trip, for example if you are on personal leave. Always refer to your company policy guidelines.

View: Adjustments Show Filters

Date/Location	Exclude Day	Breakfast	Lunch	Dinner	Lodging	Reimbursement Amount
All Days Dates: 4	☐	☐	☐	☐	☐	
Mon, 04/15/2024 Orlando, UNITED STATES	☐	☐	☐	☐	☐	$48.00
Tue, 04/16/2024 Orlando, UNITED STATES	☐	☐	☐	☐	☐	$64.00
Wed, 04/17/2024 Orlando, UNITED STATES	☐	☐	☐	☐	☐	$64.00
Thu, 04/18/2024 Orlando, UNITED STATES	☐	☐	☐	☐	☐	$48.00
						Total: $224.00

Travel Allowance (per diem) calculations

By adding a departure and arrival destination and the dates of travel, Concur users can easily estimate their eligible per-diem allowance that aligns to location-specific rates and university policy.

Concur Expense: Key Card Features

New Card Requests

Applications for university cards and travel cards can now be completed within Concur.

Changes & Adjustments

Changes to card limits, temporary overrides, and corrections to account for accidental, personal charges can be managed within the system.

Cancel, Close, Reinstate

When needed, staff can cancel, close, or even reinstate a university or travel card from within the Concur system.

Concur Expense: Learn More!

Available resources

Live & pre-recorded training

Job aids and manuals

Office hour sessions

Frequently asked questions

Procedures manual & university policy (40.1.4)

23
Live training sessions

9
Open office hour sessions

2,711
Participants in June-July trainings

8
Upcoming live trainings

Questions & Comments

Meet the Presenter

David B. Moore

Vice President for Financial Planning and Analytics – Chief Budget Officer

David and his team develop and implement comprehensive financial strategies that support the mission, strategic plan, and core academic and administrative objectives of Rutgers. He provides universitywide leadership and broad strategic oversight of financial planning, budgeting, and data analytics.

On the Agenda

Fiscal Year 2025 Budget

FY 2025 Budget

Total University Budget

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

The University’s $5.6 billion budget is a statement of our priorities and values that take steps to preserve access and affordability.

Total University Spending

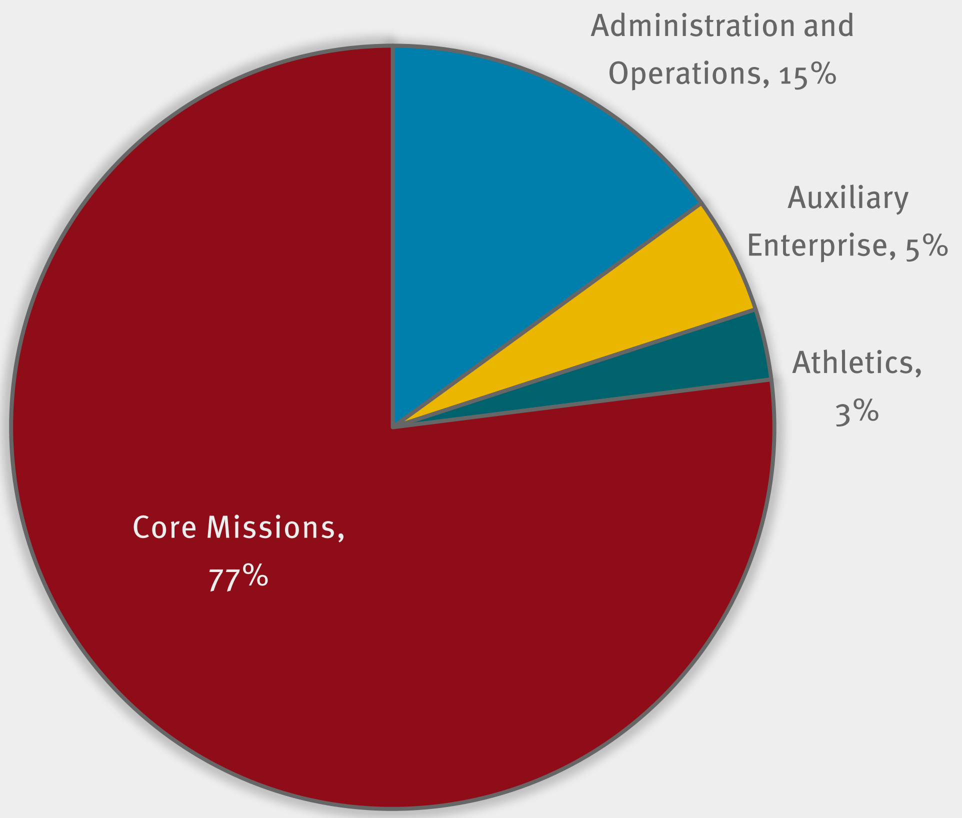
Total FY25 budget: **$5.6 billion**

77% of the budget is spent on our core missions of student instruction, research, public service, and healthcare

15% is spent on administration, operations, and maintenance

5% is spent on auxiliary enterprise (housing, dining, and parking operations)

3% is spent on Athletics



Total University Spending

The **77%** spent on "core missions" includes:

Classroom instruction and academic support (33%) – faculty compensation and staff support for academic units, libraries, and deans' offices

Student services and scholarships (11%) – financial aid, admissions, and social and cultural events

Sponsored research and other sponsored programs (12%) – funds spent on research associated with federal, state, and nongovernmental grants and contracts

Public service, extension and healthcare (21%) – agricultural extension programs, delivery of health care, support for health clinics, and community services provided throughout the state

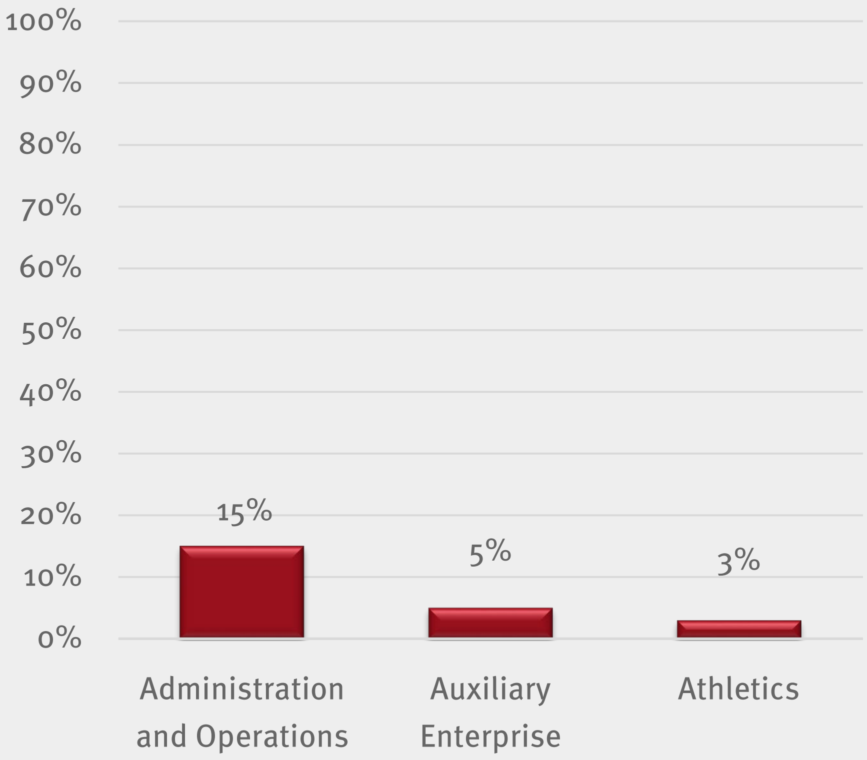
Total University Spending

The remaining sections of the budget are:

Administration and Operations (15%) - support for central administrative offices and for Rutgers facilities, including upkeep and utilities costs.

Auxiliary Enterprise (5%) - housing and dining operations, parking, and transportation costs.

Athletics (3%) - 24 Division 1 programs within Rutgers–New Brunswick.



It is important to note that nearly three-quarters of this amount is supported through funds generated by Rutgers Athletics.

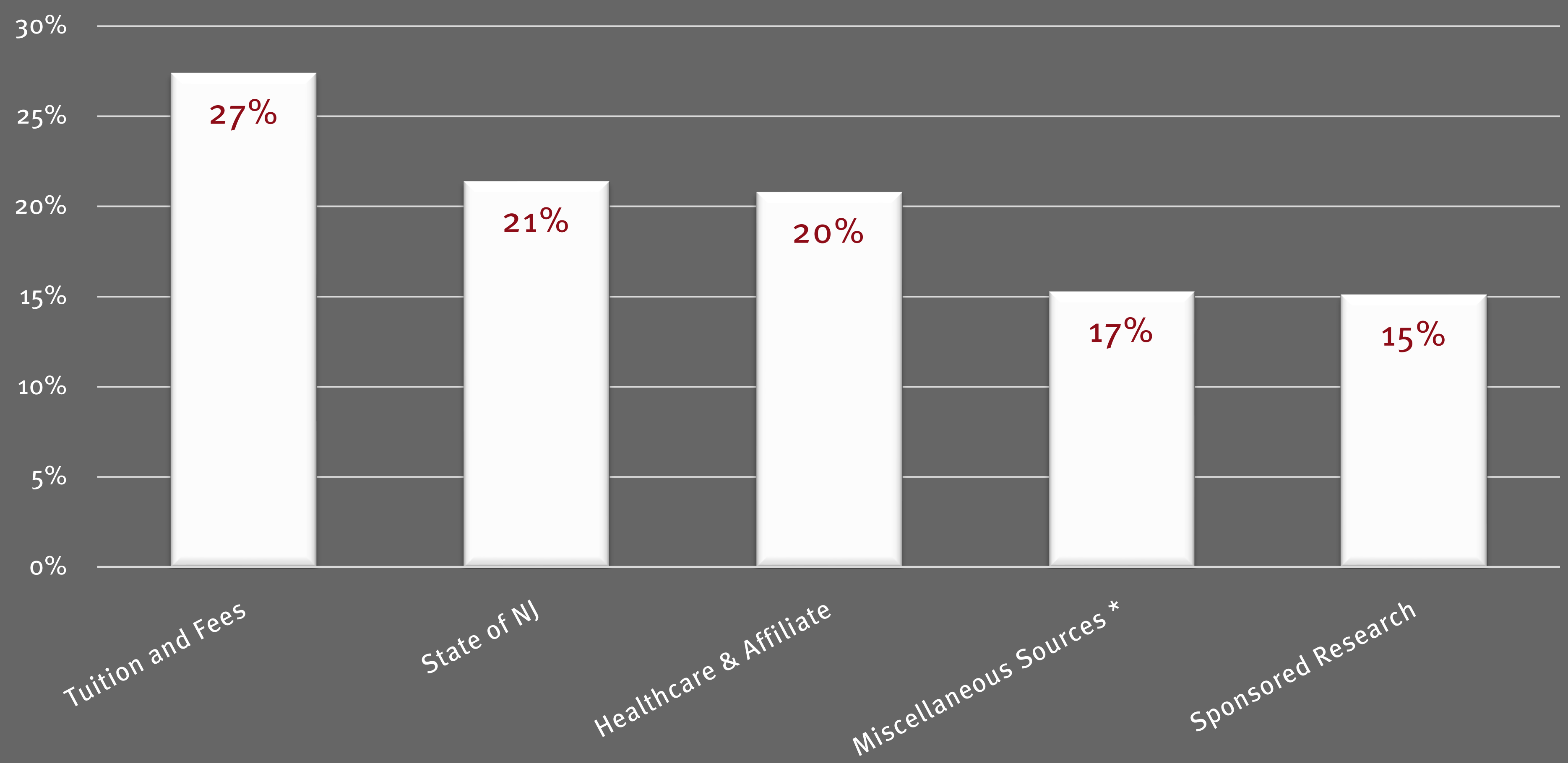
Total University Cost Pressure

Upward pressure on costs

- Negotiated salary increases and associated fringe benefits
- Fringe Benefit increases for rising health care premiums and pension contributions
- Need-based student financial aid
- Inflationary pressures: supplies, travel, operating expenses, etc.

Total University Revenue

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



* Miscellaneous Sources primarily includes Auxiliary Enterprise, Student Aid, Athletics, Gifts and Contribution, and Endowment and Investment Income.

Tuition and Fees

FY 2025 Tuition, Fees, Room, Board

Rutgers remains among the **most affordable** major public research universities.

The FY 2025 budget includes a 4% increase in tuition and a 4% increase in mandatory fees for most undergraduate and graduate programs.

For a typical undergraduate arts and sciences student who is a New Jersey resident, these increases will equate, on average, to an increase of $274 per semester for tuition and $63 for mandatory fees.

Keeping Rutgers Accessible & Affordable

Affordability

A high priority is keeping Rutgers affordable by providing our students with institutional student aid, qualifying for state and federal aid, and through grant programs.

Last year, 75% of Rutgers undergraduates received some form of financial aid.

Institutional + State and Federal = Total scholarships & fellowships

Preserving and Improving Access and Affordability

BRIDGING THE GAP
Rutgers–Camden

RU-N TO THE TOP
Rutgers–Newark

SCARLET GUARANTEE
Rutgers–New Brunswick

Overview

Programs designed to make college more accessible and affordable, offering "last dollar" financial aid for students

Complements New Jersey's *Garden State Guarantee*

Each program consists of three funding tiers:

	Adjusted Gross Income (AGI)	Out-of-Pocket Cost
Tier 1	\$0-\$65,000	\$0
Tier 2	\$65,001-\$80,000	No more than \$3,000
Tier 3	\$80,001-\$100,000	No more than \$5,000

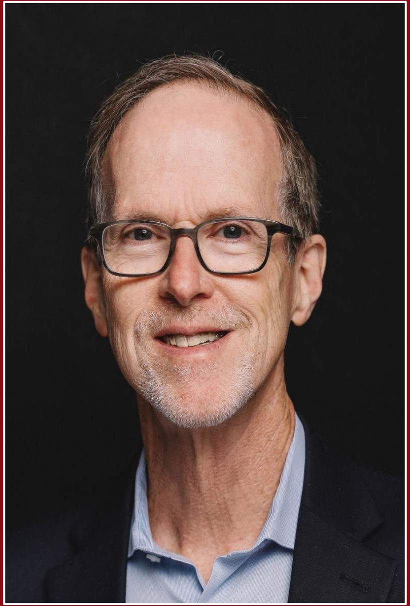
Rutgers strives to provide an affordable, high-quality education for students and achieve academic and research excellence.

Financial sustainability is a strategic imperative and the best path forward.

Questions & Comments

University Finance and Administration

Finance Town Hall



J. Michael Gower

michael.gower@rutgers.edu

Maggie Quinn

maggie.quinn@rutgers.edu

Lauren Ruiz

lr845@finance.rutgers.edu

David B. Moore

david.b.moore@Rutgers.edu

Thank you!

Ask the Experts

office hours via Zoom

Controller's Office reporting
10:30 am - 11:10 am

Accounting and Cost Analysis
11:15 am - 11:55 am

Purchasing and Accounts Payable
12:00 pm - 12:40 pm

Travel, Cards, and Expense Reporting
12:45 pm - 1:25 pm

Budget Office
1:30 pm-2:10 pm

Research Financial Services
2:15-2:55 pm