



INTERNAL OPERATING
BUDGET & PLAN
FISCAL YEAR 2021



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Introduction

The FY 2021 Operating Budget and Plan for Towson University (TU) aims to help the campus community understand the university's financial environment and the factors that contribute to it. The book presents a high-level picture of the university's internal budget during fiscal year 2021 (academic/calendar year 2020-2021). Key financial information is broken down by revenue source. Unrestricted sources are listed first and are divided into three categories—state-assisted, self-support and auxiliary enterprises. Restricted sources are next, and are composed of government-sponsored research grants and contracts as well as capital budget projects. The appendix offers information on TU budget trends as well as historical context for budget decisions, such as TU employment levels and university- and system-wide enrollment levels. A glossary of terms is provided for reference.

Towson University's budget is managed by the university administration with input from the University Budget Committee (UBC) and Resource Planning and Advisory Committee (RPAC). The budget adheres to directives from the governor, the Maryland General Assembly and the University System of Maryland (USM).

Profile

Towson University has been recognized as one of the region's best and most diverse public universities, offering world-class bachelor's, master's and doctoral degree programs while maintaining moderate tuition prices. Despite receiving the lowest funding per student in the USM, TU continues to achieve graduation rates that are among the highest in the USM. Those rates demonstrate inclusive success: TU is the only Maryland university where the graduation rate for African American students *exceeds* that of the overall campus population. Using careful budgeting and planning, Towson University produces diverse graduates for 44 percent below the average cost of USM campuses—and those graduates contribute to Maryland's workforce. Approximately 86 percent of TU students are from Maryland, and 86 percent of students stay in Maryland to live and work after graduation.

TU is committed to providing a quality, affordable education to Maryland's students. We are consistently recognized as one of *Money* magazine's "Best Colleges in America by Value" and one of *Washington Monthly's* "Best Bang for the Buck" institutions. Programs on our home campus, instruction at TU in Northeastern Maryland and interdisciplinary partnerships with public and private organizations throughout Baltimore and the state help us prepare more than 5,700 annual graduates for lifelong employment and success.

Budget Calendar

Our internal budget is developed on a 12-month cycle that begins with administrative strategic planning and progresses through a variety of presentations and input sessions with campus stakeholders. Our original FY 2021 internal resource planning and allocation process is outlined below. COVID-19 necessitated deviations to some parts of the process.

Once approved, the budget may be adjusted based on external factors such as state budget cuts or institutional revenue shortfalls.

Calendar Month & Year	Fiscal Year	Budget Development
July 2019	2020	FY 2021 President's Cabinet (PC) retreat is held to discuss strategic budgeting for the next fiscal year.
Sept. 2019		Year-over-year fall headcount and FTE are reported to the president and PC.
Oct. 2019		The FY 2021 phase one internal budget instructions (including fee instructions) are sent to divisional budget officers.
Nov. 2019		The FY 2021 housing fee is presented to the SGA.
Dec. 2019		The financial aid budget is reported for the following fiscal year.
Jan. 2020		The FY 2021 internal phase one budget submission is due to the University Budget Office.
Jan. 2020		TU vice presidents review the FY 2021 budget with the CFO.
Jan. 2020		PC reviews FY 2021 divisional initiatives requests, including fee proposals.
Late Jan. 2020		TU's administration discusses the budget and fees with members of student leadership prior to the fee forum.
Feb. 2020		FY 2021 fee forum presentation to the Student Government Association.
March 2020		The PC's strategic budget decisions and approved fees are presented to the University Budget Committee.
March 2020		The PC's strategic budget decisions and approved fees are presented to RPAC.
April 2020		The FY 2021 phase two internal budget instructions are sent to divisional budget officers.
Late May 2020		The FY 2021 phase two internal budget submission is due to the University Budget Office.
June 2020		All FY 2021 internal budgets are loaded into PeopleSoft.
July 2020		2021
Oct. 2020		The University Budget Office publishes its FY 2021 Operating Budget and Plan Book.

Coronavirus Budget Impacts

This book is being published in the midst of an ongoing global pandemic. COVID-19 is impacting every facet of our world and triggering significant, ongoing changes to Towson University’s budget. To be consistent with our decades-long history of publishing TU’s Operating Budget and Plan, this book presents our *original* FY 2021 budget. The budget reflects lower projected revenues as a result of COVID-19, but does not show subsequent cuts that occurred or cuts that may occur in the months to come. As a result of these reduced revenues and budget cuts, for the first time ever the following pages do not show a balanced budget. To restore that balance, TU has implemented the follow cost-savings actions. Additional details are supplied in the budget notes on pages 11, 15 and 19.

Coronavirus-Related Cost-Savings Actions
Implemented a 9.3 percent pro-rata reduction to the university’s state-assisted operating budget.
Implemented reductions to auxiliary operating budgets to account for reduced revenues.
Implemented temporary pay reductions for faculty and staff, including: <ul style="list-style-type: none"> • A 10 percent reduction for the president and any individual earning more than \$375,000; • A five percent reduction for all vice presidents and any individual earning \$200,000 - \$375,000; and • A two percent reduction for any individual earning \$150,000 - \$199,999.
Applied for and received approximately \$13 million in institutional CARES Act funding, including \$8.65 million in federal relief and \$4.35 million in state relief to offset COVID-related losses.
Limited FY 2021 expenditures to those that are absolutely essential.
Required leadership approval for any purchase over \$20,000.
Deferred more than \$2.1 million in funding for new initiatives.
Froze hiring for non-mission critical and nonessential new positions, and froze all vacancies for FY 2021.
Limited construction and facilities renewals to projects necessary for reopening campus or maintaining campus safety, with the exception of ongoing/planned construction on the new Science Complex, University Union, StarTUP at the Armory, 401 Washington and the College of Health Professions facility.
Suspended all study abroad programs for the fall 2020 term.
Limited business travel for FY 2021 to Maryland and the District of Columbia.

TU’s administration determined and applied these cost-savings actions very intentionally to prioritize the quality of our education and infrastructure. TU continued to support initiatives that reinforce the academic mission, such as funding the creation of outdoor classrooms that enable students in our performing arts, health professions and other programs to safely fulfill the experiential learning requirements of their degrees during COVID-19. The university also continued to strategically invest in key institutional goals, including instructional enhancements to support student success, additional counseling positions to support student well-being, and the StarTUP business incubator to advance entrepreneurship and investment in our region. We are committed to anchoring greater Baltimore throughout the pandemic, helping our students, faculty, staff and state to recover fully.

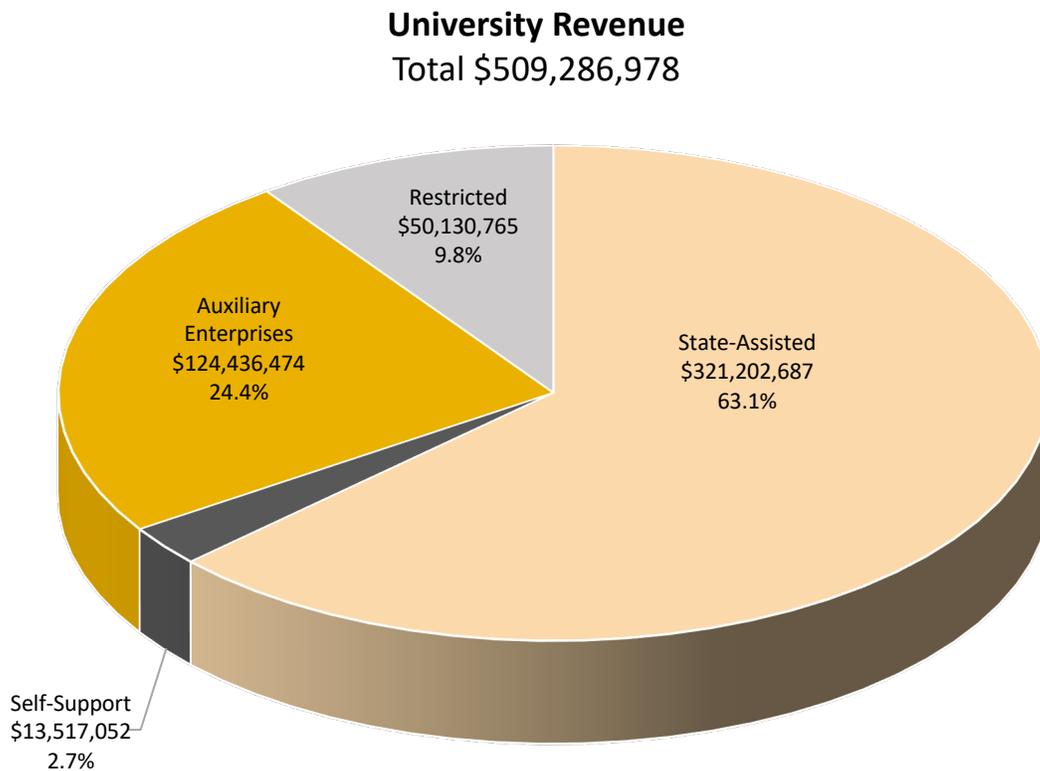
The full picture of COVID-19 budgetary impacts will only be available in the months to come. As more information is available, it will be reflected in future Operating Budget and Plan books.

University Budget Summaries

FY 2021 University Operating Revenue Overview

Towson University's internal operating revenue is comprised of two fund groups:

1. **Unrestricted revenues** are resources provided to the institution with no restrictions on their use. These resources are separated into three categories:
 - a. *State-assisted* revenue includes state appropriations, fall/spring tuition and fees, summer/minimester overhead, indirect cost recovery from auxiliary enterprises and self-support areas, and other unrestricted funds.
 - b. *Self-support* revenue includes sales and services of educational activities. This could include goods and services that may be sold to students, faculty, staff and the general public.
 - c. *Auxiliary enterprises* revenue includes auxiliary student fees and self-generated revenue from auxiliary areas such as housing, dining, the University Store and athletics.
2. **Restricted revenues** encompass government-sponsored research grants and contracts, non-government grants, certain endowment and gift income, and student aid from external sources.

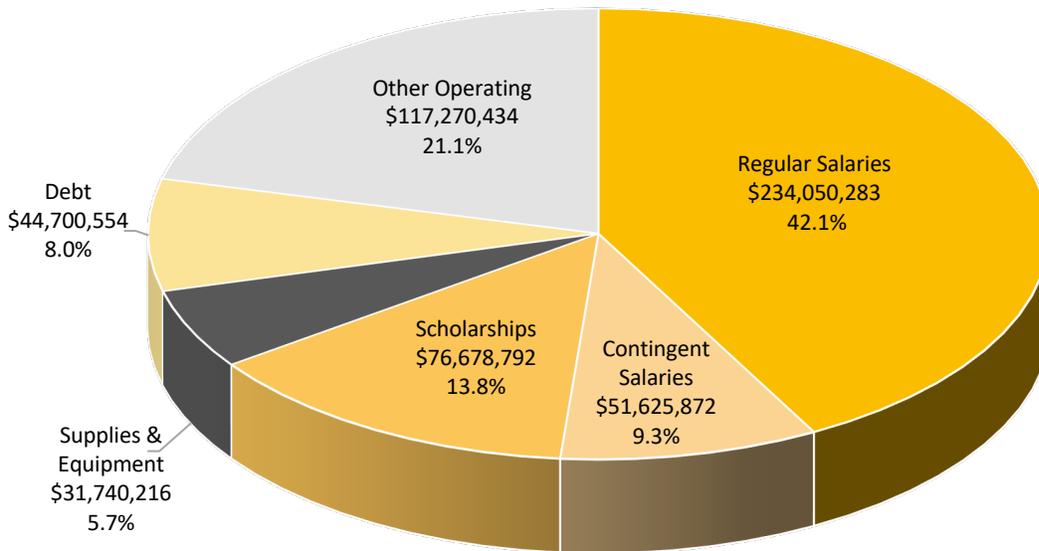


FY 2021 University Expenditure Overview

The “other operating” cost category includes travel, communications, motor vehicles, contractual services, fixed charges, land and structures, and the fund balance requirement.

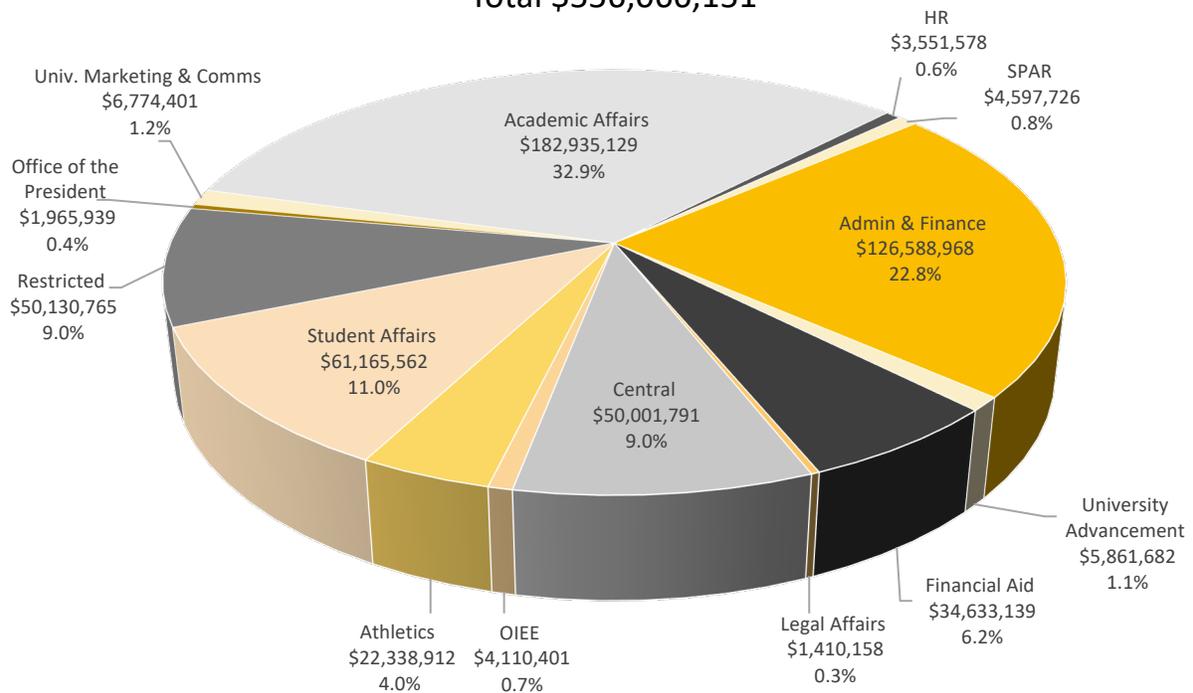
Expenditures by Category

Total \$556,066,151



Expenditures by Division

Total \$556,066,151



FY 2021 Revenue Operating Summary

The revenue budget chart below shows the sources of funding for the entire campus. The self-support and auxiliary enterprises areas may transfer funds to state-assisted areas. Restricted funds, federal grants/contracts and private gifts/contracts must remain with the unit and must be used for the purpose intended.

Revenue Budget	FY 2021	FY 2020	+/-	% Change
State-Assisted Funds				
State Appropriations	\$ 131,276,110	\$ 131,859,194	\$ (583,084)	-0.4%
Fall/Spring Tuition	155,151,188	172,406,823	(17,255,635)	-10.0%
Technology Fee	4,436,941	4,345,358	91,583	2.1%
Student User Fees	4,945,030	5,976,295	(1,031,265)	-17.3%
Summer/Minimester Overhead	4,200,000	4,173,225	26,775	0.6%
Indirect Cost Recovery	4,000,000	5,946,622	(1,946,622)	-32.7%
Other Fees and Unrestricted Revenue	17,193,418	4,162,500	13,030,918	313.1%
Subtotal State-Assisted Funds	\$ 321,202,687	\$ 328,870,017	\$ (7,667,330)	-2.3%
Self-Support Funds				
Summer and Minimester Revenue	\$ 15,741,300	\$ 13,798,492	\$ 1,942,808	14.1%
Self-Generated Revenue	(2,224,248)	3,205,058	(5,429,306)	-169.4%
Subtotal Self-Support Funds	\$ 13,517,052	\$ 17,003,550	\$ (3,486,498)	-20.5%
Auxiliary Enterprises Funds				
Auxiliary Student Fee	\$ 61,498,174	\$ 59,109,297	\$ 2,388,877	4.0%
Self-Generated Revenue	62,938,300	85,635,515	(22,697,215)	-26.5%
Subtotal Auxiliary Enterprises Funds	\$ 124,436,474	\$ 144,744,812	\$ (20,308,338)	-14.0%
Restricted Funds				
Federal Grants/Contracts	\$ 37,715,035	\$ 32,494,225	\$ 5,220,810	16.1%
Private State Gifts/Contracts	12,415,730	17,614,716	(5,198,986)	-29.5%
Subtotal Restricted Funds	\$ 50,130,765	\$ 50,108,941	\$ 21,824	0.0%
Total Funds	\$ 509,286,978	\$ 540,727,320	\$ (31,440,342)	-5.8%

FY 2021 Expenditure Operating Summary

The expenditure budget chart below shows the original budget for the entire campus. Several budgets were realigned for FY 2021: Human Resources was restructured as its own division with a dedicated budget. Administration and Finance was allocated \$5 million for the operations of the new Science Complex, 401 Washington and the StarTUp at the Towson Armory. The Contingency budget was moved to Central to help offset university-wide expenses related to COVID-19, and the Turnover Target budget was eliminated in recognition of a full fiscal year salary expense estimation. Subsequent modeling accounted for salary and expense savings stemming from the hiring freeze and limitations imposed upon non-essential operating spending.

Expenditure Budget	FY 2021	FY 2020	+/-	% Change
State-Assisted Funds				
Office of the President	\$ 1,965,939	\$ 1,764,135	\$ 201,804	11.4%
Univ. Marketing & Comms	6,701,944	7,110,923	(408,979)	-5.8%
Academic Affairs	169,542,159	161,379,994	8,162,165	5.1%
Student Affairs	10,433,622	10,265,044	168,578	1.6%
SPAR	2,591,112	2,316,057	275,055	11.9%
Administration & Finance	74,223,698	67,752,523	6,471,175	9.6%
University Advancement	5,861,682	5,999,063	(137,381)	-2.3%
Financial Aid	34,633,139	34,165,687	467,452	1.4%
Central	40,168,364	31,637,432	8,530,932	27.0%
OIIE	3,526,084	3,223,494	302,590	9.4%
Legal Affairs	1,410,158	1,202,824	207,334	17.2%
Human Resources	3,551,578	0	3,551,578	100.0%
University Contingency	-	6,582,037	(6,582,037)	-100.0%
Turnover Target	-	(4,529,196)	4,529,196	-100.0%
Subtotal State-Assisted Funds	\$ 354,609,479	\$ 328,870,017	\$ 25,739,462	7.8%
Self-Support Funds				
Academic Affairs	\$ 11,203,888	\$ 14,610,291	\$ (3,406,403)	-23.3%
Univ. Marketing & Comms	72,457	91,795	(19,338)	-21.1%
Student Affairs	127,175	233,105	(105,930)	-45.4%
SPAR	2,006,614	1,947,989	58,625	3.0%
Admin & Finance	66,603	62,008	4,595	7.4%
Subtotal Self-Support Funds	\$ 13,476,737	\$ 16,945,188	\$ (3,468,451)	-20.5%
Auxiliary Enterprises Funds				
Athletics	\$ 22,338,912	\$ 23,013,924	\$ (675,012)	-2.9%
OIIE	584,317	510,873	73,444	14.4%
Academic Affairs	2,189,082	2,048,244	140,838	6.9%
Student Affairs	50,604,765	54,417,537	(3,812,772)	-7.0%
Administration & Finance	52,298,667	52,779,597	(480,930)	-0.9%
Central	9,833,427	9,144,454	688,973	7.5%
Subtotal Aux. Enterprises Funds	\$ 137,849,170	\$ 141,914,629	\$ (4,065,459)	-2.9%
Restricted Funds				
Federal Grants/Contracts	\$ 37,715,035	\$ 32,494,225	\$ 5,220,810	16.1%
Private Gifts/Contracts	12,415,730	17,614,716	(5,198,986)	-29.5%
Subtotal Restricted Funds	\$ 50,130,765	\$ 50,108,941	\$ 21,824	0.0%
Total Funds	\$ 556,066,151	\$ 537,838,775	\$ 18,227,376	3.4%

State-Assisted Budget

FY 2021 State-Assisted Revenue and Expenditure Budget by Category

Towson University's state-assisted revenue and expenditure budget is listed below by category. Details are provided in the budget notes underneath the chart.

State-Assisted Revenue	FY 2021	FY 2020	+/-	% Change
1 State Appropriations	\$ 131,276,110	\$ 131,859,194	\$ (583,084)	-0.4%
2 Fall/Spring Tuition	155,151,188	172,406,823	(17,255,635)	-10.0%
3 Technology Fee	4,436,941	4,345,358	91,583	2.1%
4 Student User Fees	4,945,030	5,976,295	(1,031,265)	-17.3%
5 Summer/Minimester Overhead	4,200,000	4,173,225	26,775	0.6%
6 Indirect Cost Recovery	4,000,000	5,946,622	(1,946,622)	-32.7%
7 Other Fees and Unrestricted Revenue	17,193,418	4,162,500	13,030,918	313.1%
Total State-Assisted Revenue	\$ 321,202,687	\$ 328,870,017	\$ (7,667,330)	-2.3%

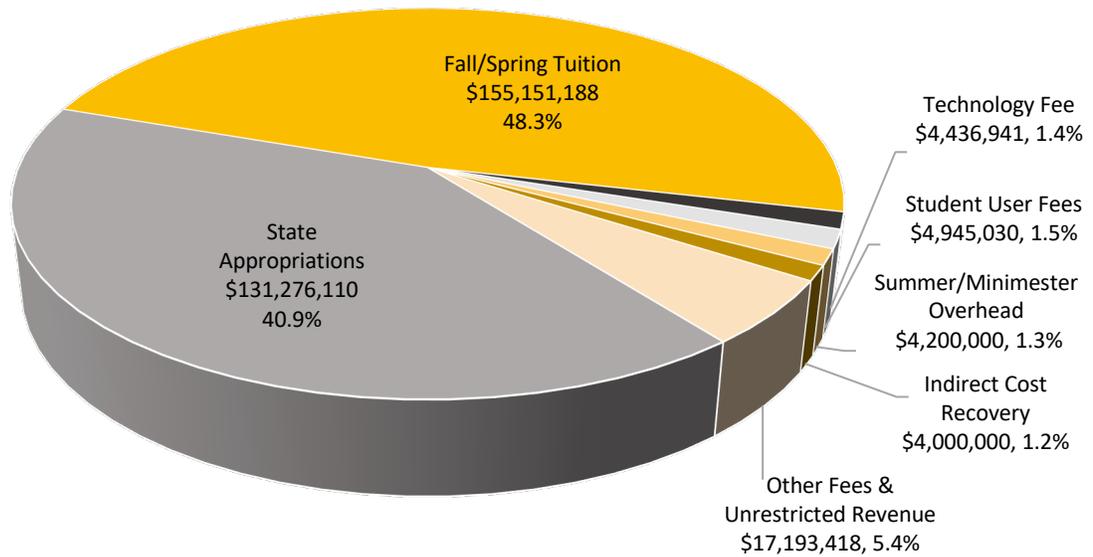
State-Assisted Expenditures				
8 Regular Salaries	\$ 202,779,967	\$ 193,191,064	\$ 9,588,903	5.0%
9 Contingent Salaries	32,774,973	26,750,049	6,024,924	22.5%
10 Scholarships	34,207,441	33,785,295	422,146	1.2%
11 Supplies & Equipment	20,796,235	19,065,581	1,730,654	9.1%
12 Debt	10,225,515	10,225,515	0	0.0%
13 Other Operating	53,825,348	45,852,513	7,972,835	17.4%
Total State-Assisted Expenditures	\$ 354,609,479	\$ 328,870,017	\$ 25,739,462	7.8%

Budget Notes	
1	FY 2021 state appropriations decreased as a result of reductions to the USM budget stemming from lower state revenues during COVID-19.
2	Tuition and fees were held flat for all student classifications as a system-wide initiative to support students during COVID-19. Reduced FY 2021 tuition revenues are also a result of decreased enrollment during COVID-19.
4	Decreased enrollment during COVID-19 resulted in lower fee revenue for FY 2021. The FY 2021 fee revenue shown above does not reflect a 10 percent fee refund subsequently issued to all students. The refund was applied on all mandatory fees except the technology fee.
7	Additional unrestricted revenues from federal and state CARES funding.
8	TU maintained salaries for most faculty and staff during COVID-19. Previously-scheduled promotion, tenure and salary adjustments continued. By prioritizing employees, TU has avoided layoffs and furloughs thus far.
9	Support for existing contractual positions and salary adjustments.
10	Scholarship support and emergency student aid during COVID-19.
11	Decreased FY 2021 costs reflect a dedicated effort to control operating spending during the COVID-19 pandemic in order to prioritize faculty and staff salaries.
13	Strategic investment in baselining permanent, recurring expenses that were previously paid with one-time funds. This includes the development of a university contingency fund.
*	The difference between the FY 2021 total state-assisted revenue and total state-assisted expenditures is an operational deficit caused by the COVID-19 pandemic. TU has implemented a series of cost-savings actions to address the deficit and maintain a balanced budget. See page 5 for details.

FY 2021 State-Assisted Overview

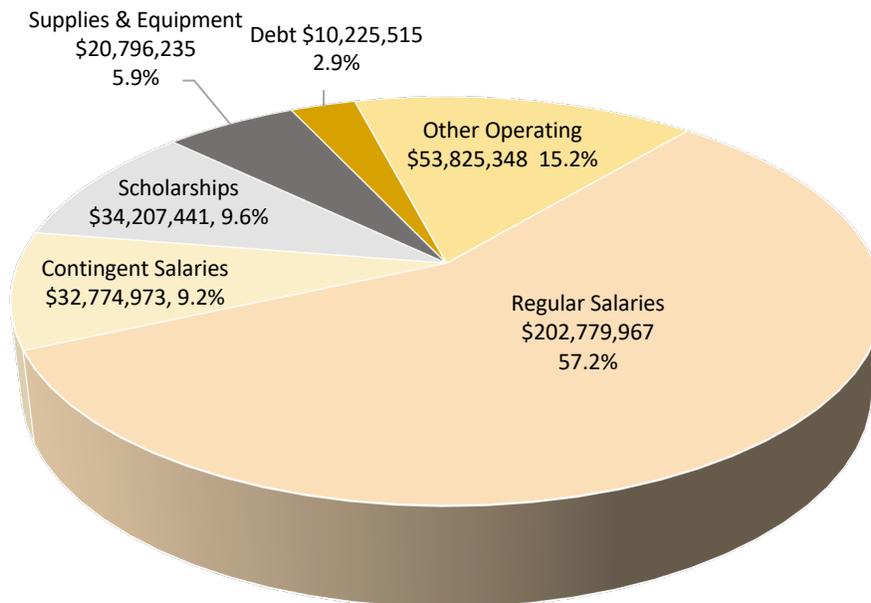
State-Assisted Revenue by Category

Total: \$321,202,687



State-Assisted Expenditures by Category

Total: \$354,609,479



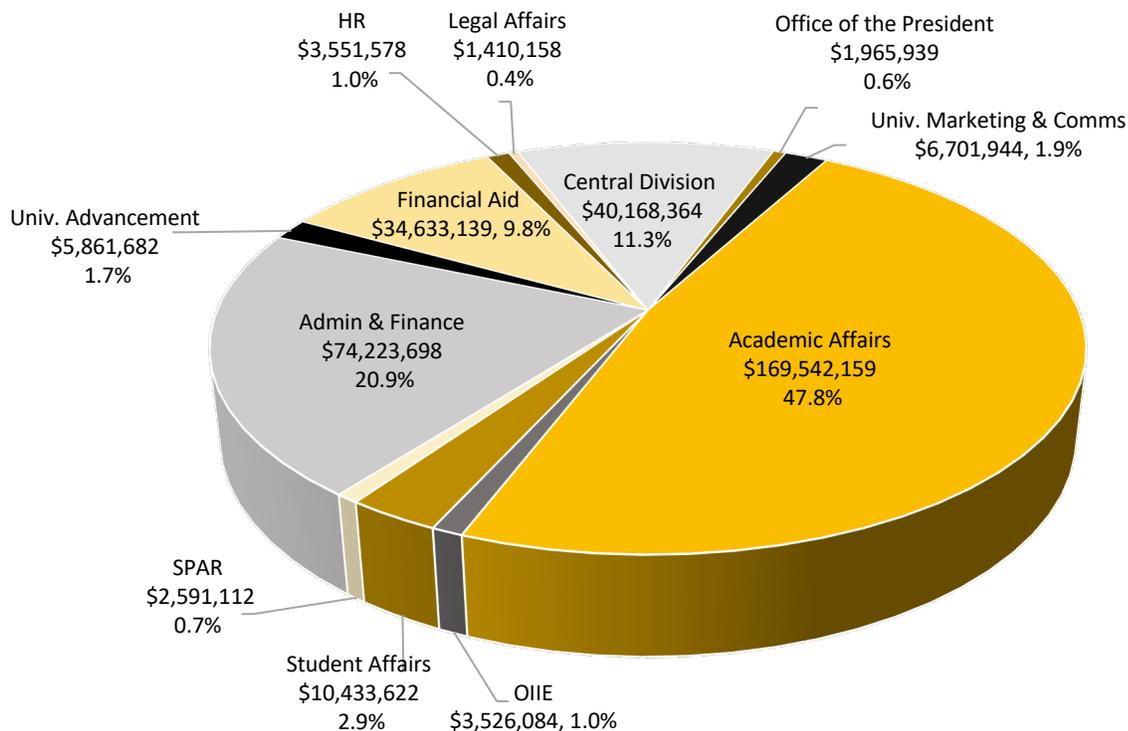
The difference between the FY 2021 state-assisted revenue and state-assisted expenditures is an operational deficit caused by the COVID-19 pandemic. TU has implemented a series of cost-savings actions to address the deficit and maintain a balanced budget. Additional details are provided on page 5.

FY 2021 State-Assisted Divisional Budgets

State-Assisted Expenditure Budget	Regular Salary	Contingent Salary	Operating	FY 2021 Total	Dist. %
Office of the President	\$ 1,241,707	\$ 218,633	\$ 505,599	\$ 1,965,939	0.6%
Univ. Marketing & Comms	3,927,405	138,674	2,635,865	6,701,944	1.9%
Academic Affairs	129,786,385	27,426,155	12,329,619	169,542,159	47.8%
Student Affairs	8,428,400	826,545	1,178,677	10,433,622	2.9%
SPAR	1,075,939	1,254,898	260,275	2,591,112	0.7%
Administration & Finance	44,537,937	1,645,706	28,040,055	74,223,698	20.9%
University Advancement	4,961,455	27,700	872,527	5,861,682	1.7%
Financial Aid	948,501	0	33,684,638	34,633,139	9.8%
Central Division	1,379,225	1,039,778	37,749,361	40,168,364	11.3%
OIIE	2,428,774	148,247	949,063	3,526,084	1.0%
Legal Affairs	1,017,825	8,697	383,636	1,410,158	0.4%
Human Resources	3,046,414	39,940	465,224	3,551,578	1.0%
University Contingency	0	0	0	0	0.0%
Turnover Target	0	0	0	0	0.0%
Total State-Assisted Funds	\$ 202,779,967	\$ 32,774,973	\$ 119,054,539	\$ 354,609,479	100.0%

State-Assisted Expenditures by Division

Total: \$354,609,479



Self-Support Budget

FY 2021 Self-Support Revenue and Expenditure Budget by Category

Towson University's self-support revenue and expenditure budget is listed below by category. Details are provided in the budget notes underneath the chart.

Self-Support Revenue		FY 2021	FY 2020	+/-	% Change
1	Summer and Minimester Revenue	\$ 15,741,300	\$ 13,798,492	\$ 1,942,808	14.1%
2	Self-Generated Revenue	(2,224,248)	3,205,058	(5,429,306)	-169.4%
Total Self-Support Revenue		\$ 13,517,052	\$ 17,003,550	\$ (3,486,498)	-20.5%

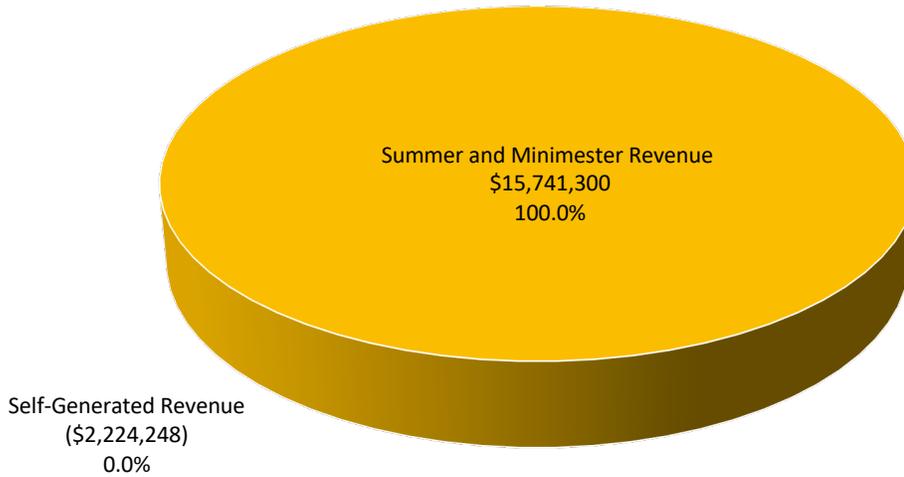
Self-Support Expenditures					
3	Regular Salaries	\$ 2,919,049	\$ 2,733,911	\$ 185,138	6.8%
4	Contingent Salaries	7,266,325	11,679,022	(4,412,697)	-37.8%
5	Scholarships	54,000	54,000	0	0.0%
6	Supplies & Equipment	1,089,813	1,214,436	(124,623)	-10.3%
7	Other Operating	2,147,550	1,260,279	887,271	70.4%
Total Self-Support Expenditures		\$ 13,476,737	\$ 16,941,648	\$ (3,464,911)	-20.5%

Budget Notes	
1 & 2	The decrease in self-generated revenue from FY 2020 to FY 2021 is primarily the result of a strategic change in the funding source used to support Academic Affairs. Self-generated revenue from the summer term and minimester was transferred to the state-assisted budget to support academic affairs' stateside initiatives. The reduced FY 2021 revenue also reflects a decrease in study abroad fees collected as a result of COVID-19.
*	The difference between the total self-support revenue and total self-support expenditures is the required fund balance contribution of \$40,315.

FY 2021 Self-Support Overview

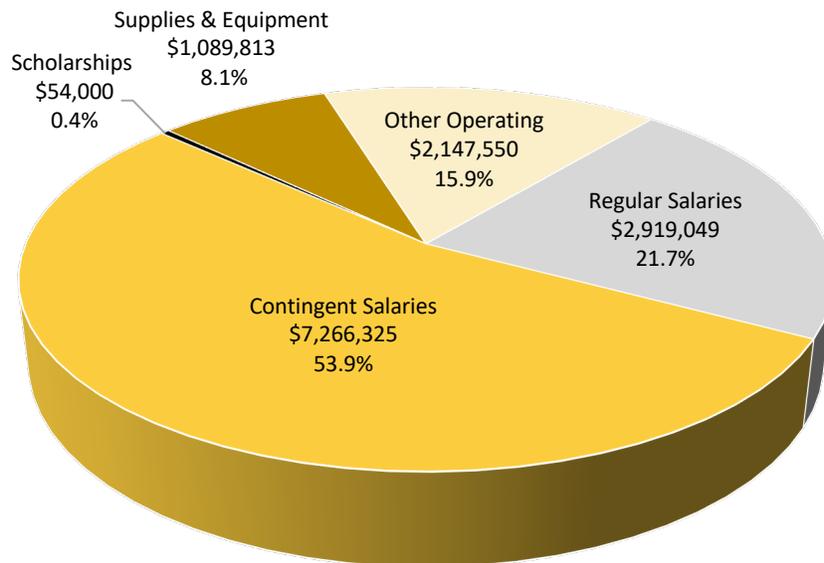
Self-Support Revenue by Category

Total: \$13,517,052



Self-Support Expenditures by Category

Total: \$13,476,737



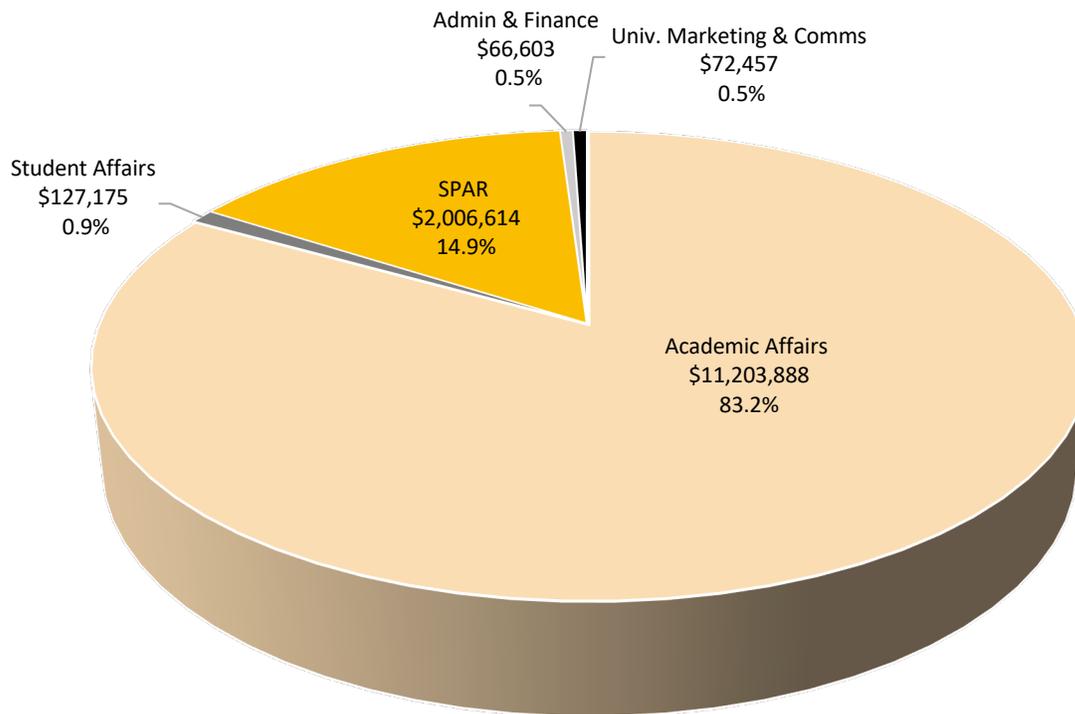
The difference between the total self-support revenue and total self-support expenditures is the required fund balance contribution of \$40,315.

FY 2021 Self-Support Divisional Budgets

Self-Support Budget	Regular Salary	Contingent Salary	Operating	FY 2021 Total	Distr. %
Academic Affairs	\$ 1,861,782	\$ 5,764,656	\$ 3,577,450	\$ 11,203,888	83.2%
Student Affairs	0	60,000	67,175	127,175	0.9%
SPAR	156,817	1,441,669	408,128	2,006,614	14.9%
Administration & Finance	827,993	0	(761,390)	66,603	0.5%
Univ. Marketing & Comms	72,457	0	0	72,457	0.5%
Total Self-Support Funds	\$ 2,919,049	\$ 7,266,325	\$ 3,291,363	\$ 13,476,737	100.0%

Self-Support Expenditures by Division

Total: \$13,476,737



Auxiliary Enterprises Budget

FY 2021 Auxiliary Enterprises Revenue and Expenditure Budget by Category

Towson University's auxiliary revenue and expenditure budget is listed below by category. Details are provided in the budget notes underneath the chart.

Auxiliary Enterprises Revenue		FY 2021	FY 2020	+/-	% Change
1	Auxiliary Student Fees	\$ 61,498,174	\$ 59,109,297	\$ 2,388,877	4.0%
2	Self-Generated Revenue	62,938,300	85,635,515	(22,697,215)	-26.5%
Total Auxiliary Enterprises Revenue		\$ 124,436,474	\$ 144,744,812	\$ (20,308,338)	-14.0%

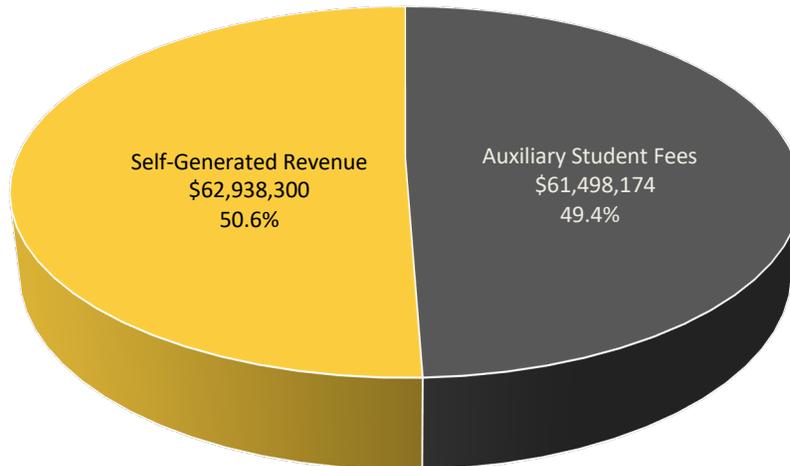
Auxiliary Enterprises Expenditures					
3	Regular Salaries	\$ 27,691,109	\$ 26,932,981	\$ 758,128	2.8%
4	Contingent Salaries	5,811,577	5,970,221	(158,644)	-2.7%
5	Scholarships	6,432,641	6,220,212	212,429	3.4%
6	Supplies & Equipment	8,016,246	13,295,969	(5,279,723)	-39.7%
7	Debt	34,475,039	33,262,911	1,212,128	3.6%
8	Other Operating	55,422,558	56,232,334	(809,776)	-1.4%
Total Auxiliary Enterprises Expenditures		\$ 137,849,170	\$ 141,914,628	\$ (4,065,458)	-2.9%

Budget Notes	
1	All mandatory fees were kept level from FY 2020 to FY 2021 to support students during COVID-19. The FY 2021 auxiliary student fee revenue shown above does not reflect a 10 percent fee refund subsequently issued to all students. The refund was applied on all mandatory fees except the technology fee.
2	Revenue from meal plans, board and parking decreased as a result of lower campus density during COVID-19.
3	TU maintained salaries for most faculty and staff during COVID-19. Previously-scheduled promotion, tenure and salary adjustments continued. By prioritizing employees, TU has avoided layoffs and furloughs thus far. They are designated for use only as a last resort.
4	The FY 2021 decrease reflects an intentional decision to keep contractual expenses below FY 2020 levels in consideration of the pandemic.
5	Increased scholarships to support students during COVID-19.
6 & 8	Decreased FY 2021 costs reflect a dedicated effort to control operating spending during the COVID-19 pandemic in order to prioritize faculty and staff salaries.
7	Additional costs associated with debt on auxiliary buildings.
*	The difference between the FY 2021 total auxiliary enterprises revenue and total auxiliary enterprises expenditures is an operational deficit caused by the COVID-19 pandemic. TU has implemented a series of cost-savings actions to address the deficit and maintain a balanced budget. See page 5 for details.

FY 2021 Auxiliary Enterprises Overview

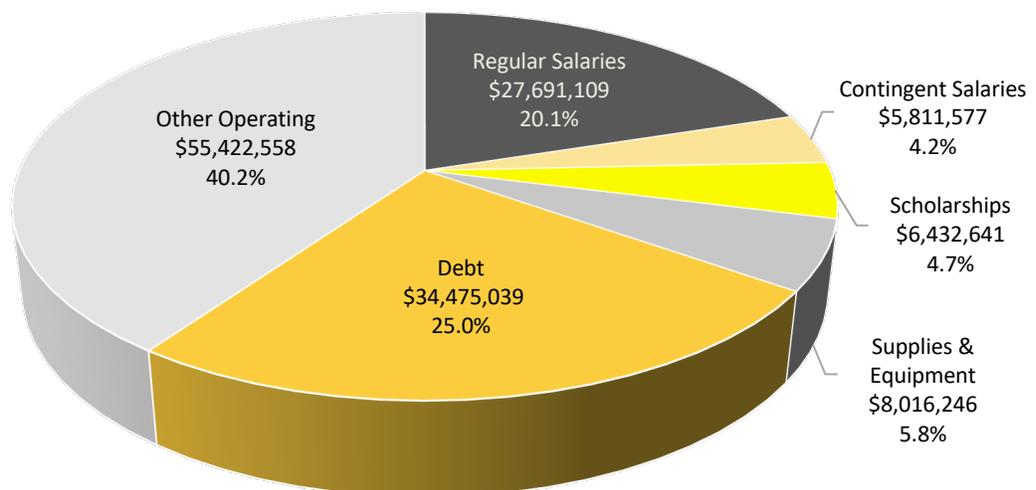
Auxiliary Enterprises Revenue by Category

Total: \$124,436,474



Auxiliary Enterprises Expenditures by Category

Total: \$137,849,170



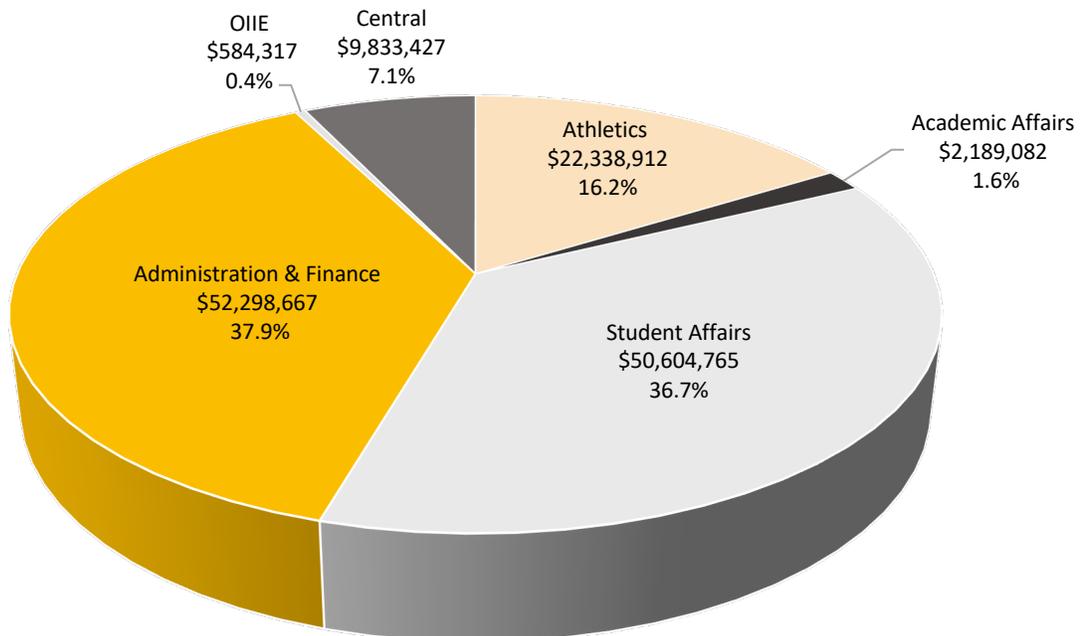
The difference between the FY 2021 auxiliary enterprises revenue and auxiliary enterprises expenditures is an operational deficit caused by COVID-19. TU has implemented a series of cost-savings actions to address the deficit and maintain a balanced budget. Additional details are provided on page 5.

FY 2021 Auxiliary Divisional Budgets

Auxiliary Enterprises	Regular Salary	Contingent Salary	Operating	FY 2021 Total	Dist. %
Athletics	\$ 9,591,410	\$ 840,880	\$ 11,906,622	\$ 22,338,912	16.2%
Academic Affairs	857,924	546,635	784,523	2,189,082	1.6%
Student Affairs	8,514,429	3,060,812	39,029,524	50,604,765	36.7%
Administration & Finance	8,421,452	1,310,250	42,566,965	52,298,667	37.9%
OIIE	305,894	53,000	225,423	584,317	0.4%
Central	0	0	9,833,427	9,833,427	7.1%
Contingency	0	0	225,423	0	0.0%
Total Auxiliary Enterprises Funds	\$ 27,691,109	\$ 5,811,577	\$ 104,571,907	\$ 137,849,170	100.0%

Auxiliary Expenditures by Division

Total: \$137,849,170



Restricted Budget

The university's restricted resources are comprised of government-sponsored research grants and contracts, non-government grants, certain endowment and gift income, and student aid from external sources.

Large Grant and Contract Awards

The university receives hundreds of grants and contracts each fiscal year. The awards listed below represent some of the major grants and contracts that will be active in FY 2021. Please note that the funds for many of the grants and contracts are awarded over an extended period of time, thus the total award amount will be greater than the restricted award total for FY 2021 alone.

Advancing the Understanding of the Ecological Risk of Per- and Polyfluoroalkyl Substances - Supplement

Award Amount: \$242,852 (two years)

Award Organization: U.S. Department of Defense

Responsible Department: Environmental Science; Christopher Salice

ARTS: Stabilizing Crazy Ants

Award Amount: \$253,229 (four years)

Award Organization: National Science Foundation

Responsible Department: Biological Sciences; John LaPolla

Bridges to the Baccalaureate: Facilitating Seamless Transitions from Community College to TU

Award Amount: \$787,854 to date; anticipated five-year total is \$1,342,771

Award Organization: National Institutes of Health

Responsible Department: Biological Sciences; Michelle Snyder and Elana Ehrlich

Child Career and Professional Development Fund

Award Amount: \$217,235

Award Organization: Maryland State Department of Education

Responsible Department: Early Childhood Education; Ocie Watson-Thompson

English Learners Moving to Proficient Outcomes with Engagement and Rigor (EMPOWER)

Award Amount: \$1,277,309 to date; anticipated five-year total is \$2,221,722

Award Organization: U.S. Department of Education

Responsible Department: Special Education; Patricia Rice Doran, Gilda Martinez-Alba and Elizabeth Neville

Online Option for Degree Completion

Award Amount: \$742,699 to date; anticipated total is \$1,050,062

Award Organization: Maryland Higher Education Commission

Responsible Department: Nursing; Briana Snyder

TU NIST PREP Gaithersburg

Award Amount: \$400,250; anticipated five-year total is \$1,036,027

Award Organization: National Institute of Standards & Technology

Responsible Department: Computer & Information Systems; Wei Yu

Capital Budget Projects

A capital project is generally defined by the USM as any design or construction project that exceeds a total project cost of \$1 million. To reduce spending during the COVID-19 pandemic Towson University only continued planned capital construction on the new Science Complex, College of Health Professions building and University Union expansion. The Glen Towers renovation was delayed, and all other construction and facility renewals are being limited to those needed for life safety or maintaining campus operations. Descriptions of ongoing capital projects are listed below by funding type.

State-Funded Capital Projects

State-funded capital projects are typically financed with bond funds allocated from the state of Maryland budget to individual institutions. Institutions are not required to reimburse the state for these bonds. Projects eligible for funding from the state include both academic and academic support buildings (such as administrative buildings, infrastructure and utility improvements). Towson University's ongoing state-funded capital projects, as requested by TU and supported by the Board of Regents, are listed in chronological order below.

New Science Complex

Total Budget:	\$187.8 million
Size:	316,000 GSF
Project Schedule:	Feb. 2013 – Oct. 2020

The new Science Complex (316,000 GSF/184,730 NASF) will allow for a high level of integration between teaching and research spaces and provide adaptability to allow for future student learning and research grant opportunities. The project will maximize the goals of science on display and celebrating research through a highly visible location at the historic front of the university's campus. It will also facilitate collaboration by aligning all of the departments and programs of the Fisher College of Science and Mathematics into two adjacent buildings. The complex will house Biology, Chemistry, Physics, Astronomy and Geosciences, Environmental Sciences, Molecular Biology, Biochemistry and Bio-Informatics (MB3), and Science Education departments and programs.

College of Health Professions Building

Total Budget:	\$173.4 million
Size:	235,109 GSF
Project Schedule:	July 2019 – April 2024

A new 235,109 GSF/131,661 NASF building for the College of Health Professions will consolidate the college's departments into one facility. The building will house the academic undergraduate and graduate programs of TU's Nursing, Occupational Therapy, Kinesiology, Health Science, and Speech-Language Pathology & Audiology departments. The project will address existing facility/space deficiencies and accommodate projected growth in both undergraduate and graduate curriculums in response to the current and projected state and regional health professions workforce shortage. Maryland's 22,000 unfilled health professions positions result in approximately \$1.6 billion in unrealized wages and \$170 million in unrealized state and local tax revenues.

System-Funded Capital Projects

System-funded capital projects are financed through the sale of bonds by the USM. The debt service of these bonds is typically a 20-year amortization period paid for by the institution primarily through auxiliary revenue sources, including student fees. Projects eligible for funding through this financing method include dining halls, student unions, parking facilities, recreation facilities and residence hall renovations. Towson University's ongoing system-funded capital projects are listed below.

University Union Addition and Renovation

Total Budget:	\$112.8 million
Size:	80,000 GSF new; 168,203 renovated
Project schedule:	Jan. 2017 – July 2022

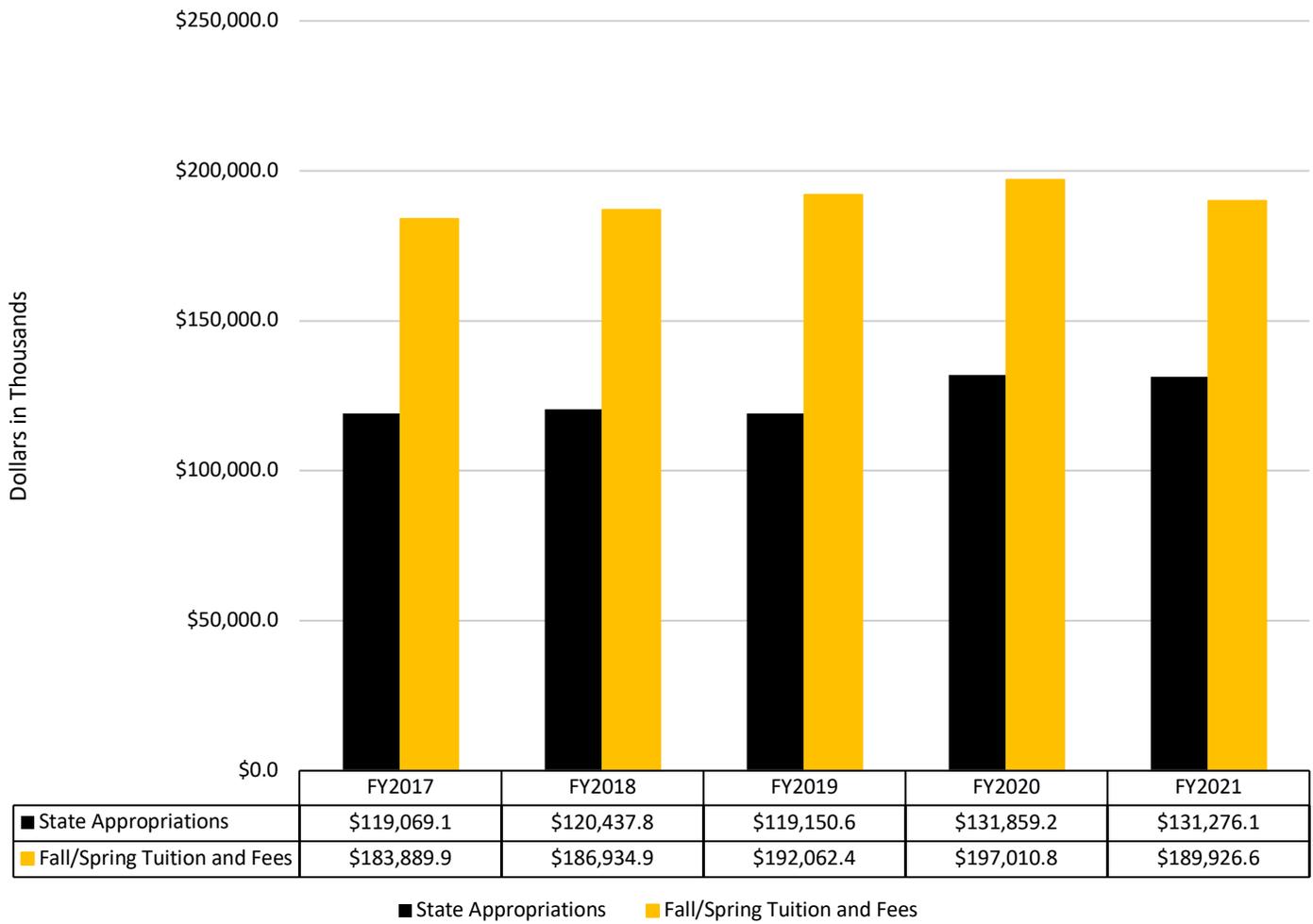
This project involves an addition (80,000 GSF/45,000 NASF) and complete renovation of the existing building (168,203 GSF/109,044 NASF). The University Union is the most frequently-used building on TU's campus. There has been a shortage of space in the facility for years, as it was originally designed for an enrollment of 10,000 students. Office and meeting space for student organizations is the most critical space deficiency along with lounge and study space. At present, many student organizations are without office or support space and are dispersed to inappropriate facilities throughout the campus. Improved merchandising and food service facilities are also needed.

Appendix

Appendix 1: TU Budget Trends

The graph below shows the five-year trajectory of revenue from state appropriations and fall/spring tuition and fees.

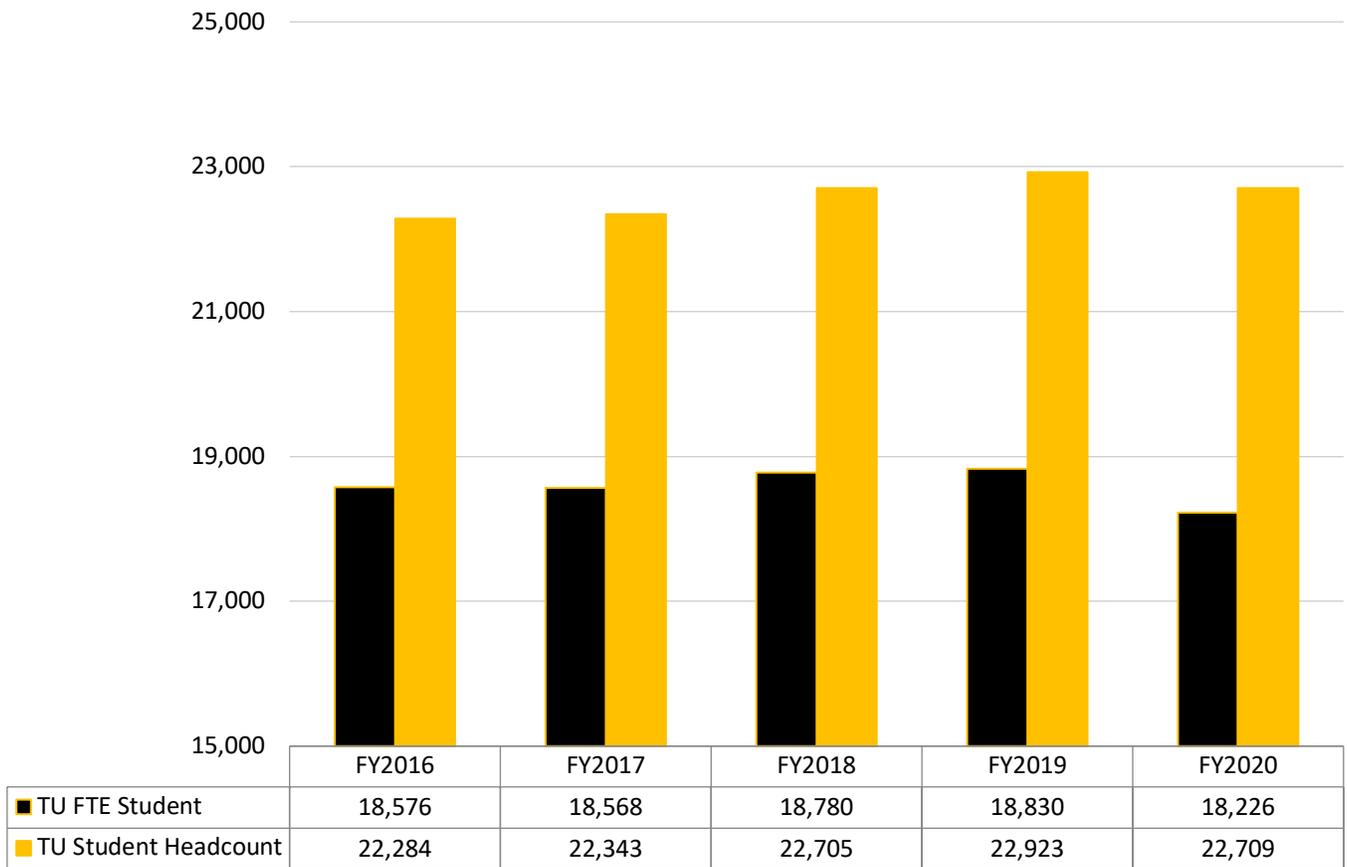
State-Assisted Revenue Budget



Appendix 2: TU Historical Information

The graph below shows the actual student full-time equivalency (FTE) enrollment and student headcount enrollment for the past five years.

Enrollment History

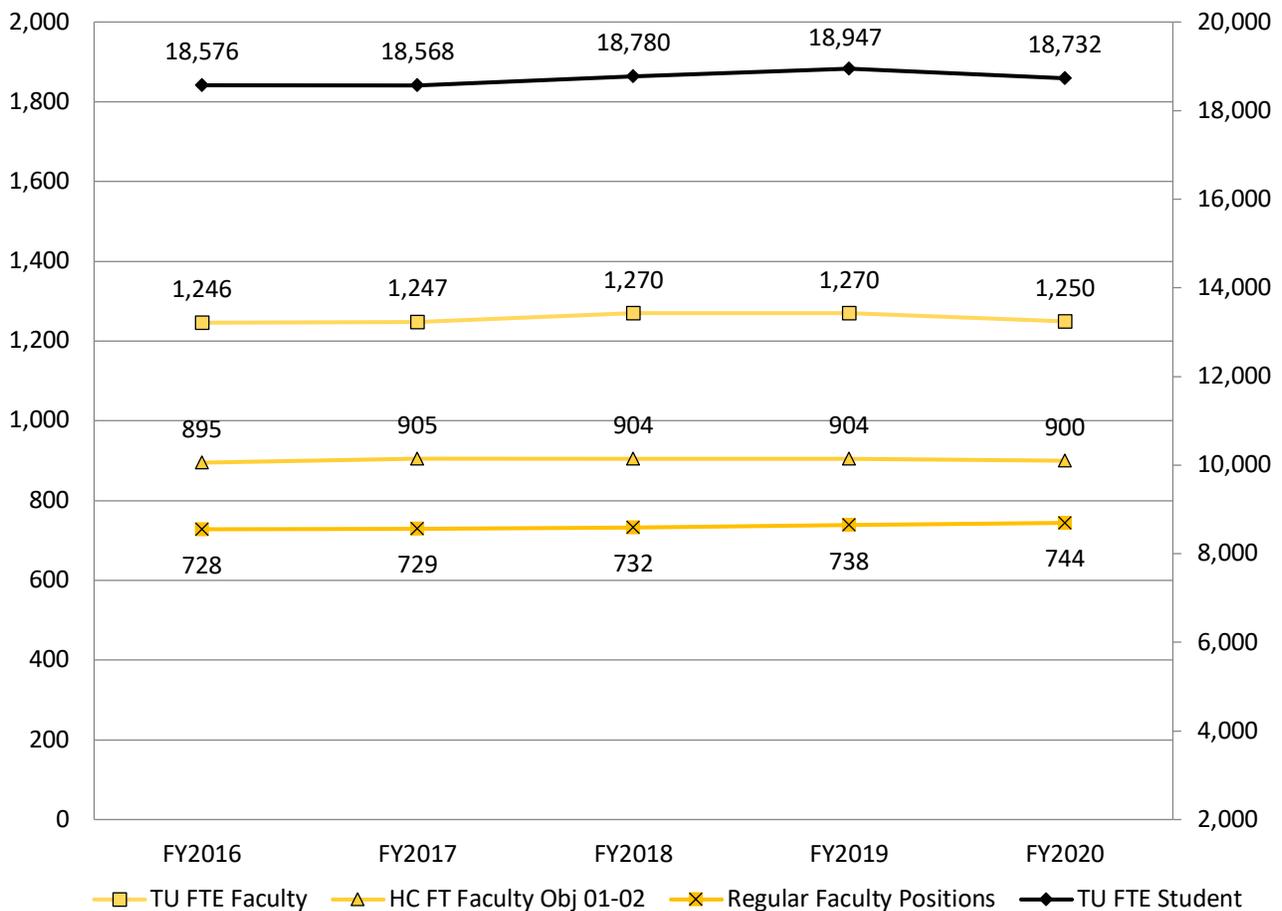


Appendix 2: TU Historical Information

The graph at the top shows the actual student full-time equivalency (FTE), faculty FTE, faculty full-time headcount in objects 01 and 02, and the number of regular object 01 faculty positions (vacant and filled) for the past five years.

The graph on the bottom shows the number of FTE students for each FTE faculty member and for each regular faculty member over the past five years.

Student & Faculty FTE

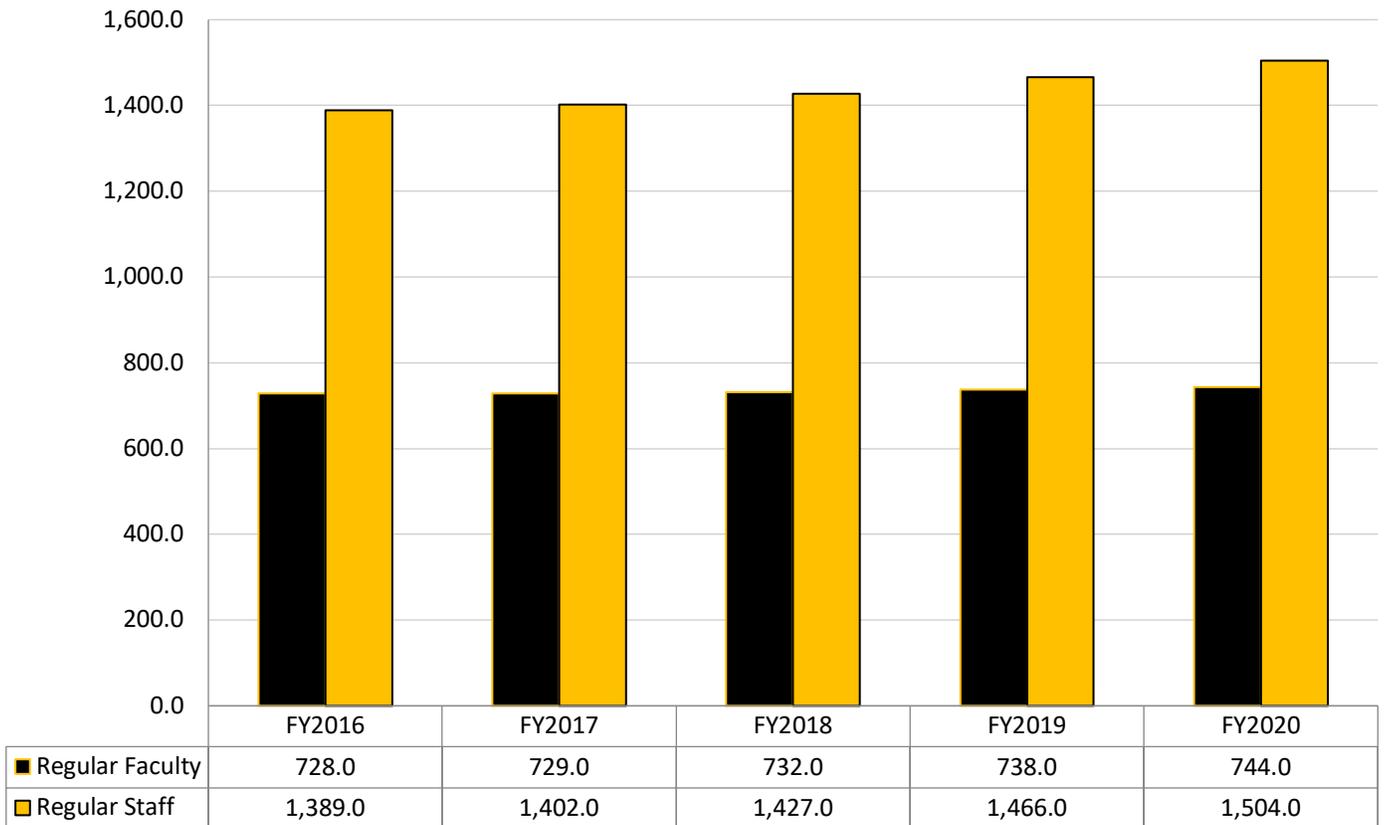


	FY2016	FY2017	FY2018	FY2019	FY2020
FTE Student to FTE Faculty Ratio	14.9:1	14.9:1	14.8:1	14.8:1	15.0:1
FTE Student to Regular Faculty Ratio	25.5:1	25.5:1	25.5:1	25.7:1	25.7:1

Appendix 2: TU Historical Information

The graph below shows the actual number of authorized regular faculty and staff positions for the past five years.

Regular Faculty & Staff Positions (Object 01)



Appendix 3: USM Historical Trends

The table below shows the number of full time equivalent (FTE) students in the USM and each USM institution over the past 15 years.

USM Statewide Annualized Full-Time Equivalent Students (FTES)

	USM	Bowie	Coppin	Frostburg	Salisbury	Towson	UB	UMB	UMBC	UMCP	UMES	UMGC
FY 2006	97,206	4,076	3,302	4,206	6,188	14,391	3,303	5,415	9,172	29,002	3,342	14,809
FY 2007	100,892	4,156	3,061	4,162	6,538	15,347	3,401	5,541	9,291	29,241	3,566	16,588
FY 2008	104,101	4,317	3,001	4,265	6,829	16,104	3,724	5,767	9,411	30,179	3,449	17,055
FY 2009	109,236	4,496	3,175	4,434	7,219	17,274	3,985	5,974	9,749	30,728	3,821	18,381
FY 2010	114,148	4,532	3,159	4,646	7,423	17,590	4,274	6,381	10,232	31,328	3,981	20,602
FY 2011	116,212	4,534	3,011	4,733	7,592	17,869	4,429	6,477	10,500	31,532	4,094	21,441
FY 2012	120,484	4,484	2,905	4,608	7,842	17,908	4,425	6,504	10,769	31,483	4,166	25,390
FY 2013	119,187	4,308	2,773	4,573	7,861	18,151	4,458	6,522	11,082	31,331	4,131	23,997
FY 2014	119,438	4,437	2,656	4,559	7,879	18,722	4,438	6,432	11,227	31,353	3,969	23,766
FY 2015	123,525	4,609	2,489	4,608	7,855	18,480	4,359	6,408	11,368	31,820	4,069	27,460
FY 2016	126,948	4,369	2,390	4,670	7,805	18,576	4,203	6,445	11,271	32,140	4,148	30,931
FY 2017	130,708	4,684	2,365	4,584	7,919	18,568	3,980	6,707	11,092	33,108	3,651	34,050
FY 2018	132,633	5,097	2,246	4,338	7,832	18,780	3,692	6,884	11,223	33,671	3,317	35,553
FY 2019	135,595	5,113	2,312	4,298	7,883	18,830	3,310	6,879	11,448	34,250	2,999	38,273
FY 2020	130,177	5,084	2,125	4,012	7,710	18,732	2,931	6,859	11,068	33,776	2,668	35,213

Note: UMGC's fiscally self-sustaining status permits use of all credit hours in FTE computation. All other institutions use only fall and spring credit hours in the computation of annualized FTES.

Source: USM Budget Office, USM Institutional Research, Oct. 6, 2020

Glossary

Academic Support:

Includes activities conducted to provide support services to the institution's primary missions: instruction, research and public service. It includes the retention, preservation and display of educational materials, such as libraries; the provision of services that directly assist the academic functions of the institution; media, such as audio-visual services, and technology, such as computing support, academic administration (including academic deans but not chairpersons) and personnel development providing administration support and management direction to the three primary missions.

AIT:

Applied Information Technology

Appropriation:

An expenditure authorization with specific limitations as to amount, purpose and time; a formal advance approval of expenditure from designated resources available or estimated to be available.

Auxiliary Enterprises:

Activities within the university that furnish goods or services to students, faculty or staff, and charge a fee directly related to, although not necessarily equal to, the cost of the goods or services. Auxiliary Enterprises are essentially self-supporting activities. The general public may be served incidentally by Auxiliary Enterprises.

Capital Budget:

Generally covers expenditures for the construction or renovation of major facilities.

CIAT:

The Center for Instructional Advancement and Technology (CIAT) supports excellence in teaching and learning by assisting Towson University faculty through instructional design consultations and training; graphic and illustration design; and videography services for the development of curriculum and course materials; and the implementation of teaching and learning strategies.

COLA:

Cost of Living Adjustments

Contingent Salaries, Wages and Fringe Benefits:

Employees not in a state PIN (Position Identification Number) and hired on a contractual or temporary basis. All expenses associated with the temporary employee's income are included in this grouping.

Current Funds:

Economic resources, expendable and set aside by the institution for carrying out the primary purposes of the institution, to be expended in the near term and used for operating purposes.

DBM:

Department of Budget and Management

Education and General Self-Support:

See "Sales and Services of Educational Activities"

Education and General State-Assisted:

Education and General (E&G) expenses are recorded for all expenses that are not for Auxiliary Enterprises. They are normally categorized as instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, and scholarships and fellowships.

Endowment Funds:

Funds, the principle of which a donor or other outside agency has stipulated, as a condition of the gift, remain intact (nonexpendable) in perpetuity, and that only the income from the investment of the fund may be expended.

Endowment Income:

Yield, usually in the form of interest or dividends, which occurs as a result of investing the principal of an endowment fund. Capital gains and losses are not part of this.

Fiscal Year:

The period used by the state for budgeting and account purposes. It begins July 1 and runs through June 30 the following calendar year.

Foundation:

Towson University Foundation, Inc. was established in 1970 as a 501 (c) (3) non-profit corporation in order to manage gifts and other funds received for the benefit of TU. The Foundation is organized to receive, hold, invest, manage, use, dispose of and administer property of all kinds whether given absolutely, in trust, by way of agency or otherwise for the benefit and promotion of TU or for education and support activities.

Full-Time Equivalent (FTE):

A means for expressing part-time students or faculty as a full-time unit. The formula is generally based on credit hours. Example: An institution may define full-time as being twelve credit hours; a student taking three credit hours would then be equal to .25 FTE.

Fund Balance:

The difference between actual revenue and actual expenditures.

Furlough:

Furlough is the term used when employees are placed in a temporary non-duty, non-pay status for required budgetary reasons.

Grants and Contracts:

Revenues from government agencies (federal, state or local) received or made available from grants, contracts and cooperative agreements that are not considered contributions.

Gross Square Feet (GSF):

Unit of measurement of a building from outside its exterior walls. This is the standard used throughout the construction industry.

Indirect Cost Recovery (IDC):

An assessment charged to non-state and auxiliary enterprises activities to recover the cost of providing services that are not a direct-billed service (e.g., payroll processing).

Institutional Support:

Includes expenses for central executive-level activities concerned with management and long-range planning for the entire institution. It includes executive management, fiscal operations, general administration and logistical services, public relations and development, and administrative computing support.

Instruction:

Includes activities that are part of the institution's instructional program. Expenses for credit and noncredit courses; remedial and tutorial instruction, and regular, special, and extension sessions are included.

Investment Income:

Interest revenue earned on cash balances as allocated by the Comptroller of the State of Maryland.

LIMS:

Library Information Management System

Mandatory Transfers:

Transfers arising out of (1) binding legal agreements related to the financing of the educational plant such as amount for debt retirement, interest and required provisions for renewals and replacement of plant, not financed from other sources, and (2) grant agreements with agencies of the federal government, donors and other organizations to match gifts and grants to loan funds.

Miscellaneous Sources:

All sources of current funds revenue not included in other classifications.

Non-Mandatory Transfers:

Transfers that serve a variety of objectives, such as moving monies generated through auxiliary enterprises to scholarship funds for use in providing scholarships or to a capital outlay group for use in providing project funding.

OIIE:

Office of Inclusion and Institutional Equity

Operating Budget:

Generally includes all of the regular unrestricted income available to the institution plus those restricted funds that are earmarked for instructional activities and department support. Activities included in the operating budget are the basic expenses of departments, schools, and colleges, including personnel and day-to-day operating costs; student services; libraries; administration; campus operations and maintenance; development; and the unrestricted portion of endowment income, gifts and student aid.

Operation and Maintenance of Physical Plant:

Activities related to the operation and maintenance of the physical plant, including all operations established to provide services and maintenance related to campus grounds and facilities, and utilities and property insurance.

Permanent Salaries, Wages and Fringe Benefits:

Employees in a state authorized position (SAP) and hired on a permanent basis. All expenses associated with the permanent employee's income are included in this grouping.

Private Gifts and Grants:

Revenues generated from individuals and non-government sources. Includes revenue received from private donors for which no legal consideration is involved.

Public Service:

Includes activities established primarily to provide non-instructional services beneficial to individuals and groups external to the institution. These activities include community service programs and cooperative extension services. Included in this category are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community.

Quasi-Endowment Funds:

Funds, functioning as an endowment, that are unrestricted resources. The decision to invest otherwise spendable resources is made by the institution's governing board or management. These internal designations can be reversed.

Research:

Includes activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution. Included in this category are expenses for individual and/or project research as well as that of institutes and research centers.

Restricted Budget:

Encompass government-sponsored research grants and contracts, nongovernment grants, certain endowment and gift income, and student aid from external sources.

Restricted Funds:

Funds limited to a specific use by outside agencies or persons, as distinguished from funds over which the institution has complete control and freedom to use. Restricted funds have an externally established limitation or stipulation placed on their use.

Sales and Service of Auxiliary Enterprises:

See "Auxiliary Enterprises."

Sales and Services of Educational Activities:

Revenues that are related incidentally to the conduct of instruction, research, and public service and revenues of activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold to students, faculty, staff and the general public.

Scholarships and Fellowships:

Expenses for student awards, i.e. scholarships, tuition remission or graduate assistantships.

SPAR:

The Division of Strategic Partnerships & Applied Research

State Appropriations:

Unrestricted revenue received for current operations from, or made available to the institution by, legislative acts or

the local taxing authority (the state of Maryland). This category does not include government grants and contracts. Also referred to as general funds.

State Authorized Position (SAP):

Regular employee hired on a permanent basis. Formerly known as a position identification number, or PIN.

State Funded Capital Projects:

State funded capital projects are those financed from general funds allocated from the state of Maryland budget to individual institutions. These funds are not required to be repaid to the state by the university. Projects eligible for funding from the state include academic and academic support buildings, including administration buildings, infrastructure and utility improvements.

Student Services:

Includes activities for offices of admissions and enrollment services and activities with the primary purpose of contributing to students' emotional and physical well-being and intellectual, cultural and social development outside the context of the formal instructional program. Included in this category are expenses for student activities, cultural events, intramural athletics, student organizations, counseling and career guidance, student aid administration, and offices of enrollment management and student health services.

System Funded Capital Projects:

System funded capital projects are financed through the sale of auxiliary bonds by USM. The debt service of these bonds, typically a 20-year amortization period, is paid for by the institution through auxiliary revenue sources, including student fees. Projects that are eligible for funding through this financing method include dining halls, student unions, recreation facilities, parking facilities and the renovation of residence halls.

TLN:

Towson Learning Network

Tuition and Fees:

Includes all tuition and fees assessed (net of refunds and discounts) for educational purposes.

Unrestricted Funds:

Resources provided to the institution with no restrictions on their use.

Vacant Position Attrition Earnings:

The Executive and Legislative Branches of the Government require agencies to budget for less than 100 percent employment levels. Generally, the expectation of vacant positions is between 2 percent and 4 percent.

Acknowledgements

PRESIDENT'S CABINET

Kim Schatzel, *President*
Melanie Perreault, *Provost and Executive Vice President for Academic Affairs*
Benjamin Lowenthal, *Vice President for Administration and Finance and Chief Fiscal Officer*
Leah Cox, *Vice President for Inclusion & Institutional Equity*
Daraius Irani, *Vice President for Strategic Partnerships and Applied Research*
Sara Slaff, *Vice President for Legal Affairs and General Counsel*
Vernon Hurte, *Vice President for Student Affairs*
Brian DeFilippis, *Vice President for University Advancement*
Sean Welsh, *Interim Vice President for University Marketing and Communications*
Tim Leonard, *Director of Athletics*
Katie Maloney, *Executive Director of Governmental and Community Relations*
Charles Herring, *Director of Public Safety and Chief of Police*
Steve Jones, *Associate Vice President of Human Resources*

UNIVERSITY BUDGET OFFICE

The creation of the FY 2021 Operating Budget and Plan would not have been possible without the hard work and dedication of the University Budget Office (UBO) staff who develop, monitor and analyze the complex, multimillion-dollar budget of this institution. For more information about the operating budget, visit towson.edu/budgetoffice.

Brandon Cohen, *UBO Director and Associate Vice President for Administration and Finance*
Dorothy Proctor, *Associate Director*
Deanna Martinez, *PeopleSoft Specialist*
Donna Auvil, *Budget Coordinator*
Gregory Bunch, *Senior Financial Analyst*

UNIVERSITY BUDGET COMMITTEE

The University Budget Committee (UBC) is comprised of leadership representatives who drive TU's strategic budgeting process. The Committee advises on budget planning and reporting to align the distribution of university resources with TU's mission, strategic goals and presidential priorities. The UBC representatives involved in developing TU's FY 2021 Operating Budget during the 2019-20 academic year are as follows:

Jennifer Ballengee, *Academic Senate*
Babu Baradwaj, *College of Business & Economics*
Terry Cooney, *College of Liberal Arts*
Leah Cox, *Inclusion and Institutional Equity*

Greg Faller, *College of Fine Arts & Communication*
Daraius Irani, *Strategic Partnerships & Applied Research*
Shohreh Kaynama, *College of Business & Economics*
Benjamin Lowenthal, *Administration & Finance*
Laurie Mullen, *College of Education*
Deborah Nolan, *University Libraries*
Melanie Perreault, *Academic Affairs*
Lisa Plowfield, *College of Health Professions*
Sara Slaff, *Legal Affairs & General Counsel*
David Vanko, *Fisher College of Science & Mathematics*

RESOURCE PLANNING AND ADVISORY COMMITTEE

The Resource Planning and Advisory Committee (RPAC) is the University Senate's representative voice in Towson University's resource planning process. The committee reviews and advises on strategic funding priorities, annual tuition and fees, and funding priorities in the event of a financial crisis. They also provide a regular channel of communication between TU leadership and campus stakeholders. The RPAC representatives involved in developing Towson University's FY 2021 Operating Budget during the 2019-20 academic year are listed below:

Jennifer Ballengee, *Academic Senate (ex-officio)*
Babu Barajwaj, *College of Business and Economics*
Jonathan Beckett, *Graduate Student Association*
Kevin Burke, *Academic Affairs (ex-officio, non-voting)*
Elizabeth Carbone, *University Advancement*
Mary Carter, *College of Health Professions*
Matthew Chambers, *Intercollegiate Athletics*
Brandon Cohen, *University Budget Office (ex-officio, non-voting)*
Natalie Dabrowski, *University Marketing & Communications*
Rick Davis, *Library*
Joyce Garczynski, *Faculty Salary Review Committee*
Theresa Jenkins, *Staff Senate*
Naimah Kargbo, *Student Government Association*
Shohreh Kaynama, *Deans' representative*
Gary Levy, *Provost's Office (ex-officio, non-voting)*
Qing Li, *College of Education*
Ben Lowenthal, *Administration & Finance (ex-officio, non-voting)*
Bonnie Lingelbach, *Student Affairs*
Joel Moore, *Fisher College of Science and Mathematics*
Christina Morgan, *SPAR*
Daniel Mydlack, *American Association of University Professors*
Melanie Perreault, *Academic Affairs (ex-officio, non-voting)*
Maggie Reitz, *Academic Affairs*
James Roberts, *College of Liberal Arts*
Steve Satta, *College of Fine Arts & Communication*
Carol Wettersten, *Administration & Finance*