Priorities Committee FY20

Presented to the CPUC
February 11, 2019
Members of the Priorities Committee

<table>
<thead>
<tr>
<th>Constituency</th>
<th>Members</th>
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<tbody>
<tr>
<td>Cabinet members</td>
<td>Deborah Prentice (Provost), Ken Molinaro (Interim VP Finance and Treasurer), Sanj Kulkarni (Dean of Faculty), Treby Williams (EVP)</td>
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<td>Faculty members</td>
<td>Mitchell Duneier (SOC), Andrea Graham (EEB), Matt Karp (HIS), Michael Mueller (MAE), Chika Okeke-Ogulu (ART), Markus Prior (WWS/POL)</td>
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<td>Graduate students</td>
<td>Jonathan Balkind (COS), Jaime Sanchez (HIS)</td>
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<td>Undergraduate students</td>
<td>Zoe Chazen ’19, Ashley Scott ‘21, Samuel Vilchez Santiago ‘19, Kat Powell ‘20</td>
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<td>Staff representative</td>
<td>Caasi Love (Facilities)</td>
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<td>Staff to committee</td>
<td>Rick Myers (Provost’s Office), Steve Semenuk (Budget Office)</td>
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Priorities Committee Charge

- Review the University’s operating budget
  - Current (FY19), Next (FY20), Future (FY21 and beyond)

- Recommend changes to the budget including
  - Fee package (tuition, fees, room, and board)
  - Undergraduate financial aid budget
  - Faculty and staff salary pools
  - Graduate student stipend
  - Graduate student, staff, and faculty housing rates
  - Allocations to discretionary program enhancements
Priorities Committee Charge (continued)

- Provide feedback on budget policy issues including
  - Tuition policy
  - Family-friendly support for graduate students
  - Treatment of external fellowships
  - Financial aid initiatives

- Priorities Committee Report: Recommendations for FY20 Budget are sent to the President in March and then presented for board approval in April.
Review: Overall financial context

- **Solid financial position**: Strong long-term endowment returns, solid credit ratings, sufficient liquidity, and loyal/generous alumni base.

- **Every student is subsidized**: Princeton’s “sticker price” tuition is approximately half of per-capita educational expenditures.

- **Robust financial aid**: Around 61% of undergraduates receive financial aid and all doctoral students are guaranteed tuition and stipend support.

- **Labor-centric**: Salaries and benefits account for roughly 40% of our operating budget.

- **Long view**: Decisions today are carefully considered for their long-term impact. We are in a solid financial position but still subject to trade-offs among many important priorities.
# The Operating Dollar – FY20

<table>
<thead>
<tr>
<th>Responsible Unit</th>
<th>SOURCES</th>
<th>USES</th>
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<tbody>
<tr>
<td><strong>Princo</strong></td>
<td>$2,333M</td>
<td>$2,329M</td>
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<tr>
<td><strong>Priorities Committee</strong></td>
<td>Student Fees (.17) $401M</td>
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<tr>
<td>Advancement</td>
<td>Gifts (.04) - $104M</td>
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<tr>
<td>University Services</td>
<td>Housing, Dining, Rental &amp; Event (.05) - $110M</td>
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<tr>
<td>Dean for Research</td>
<td>Sponsored Research and Other Grants &amp; Contracts (.11) $250M</td>
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<tr>
<td>Finance &amp; Treasury</td>
<td>Other Income &amp; Transfers (.01) - $23M</td>
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<tr>
<td>PPPL</td>
<td>PPPL (.05) - $109M</td>
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## THE OPERATING DOLLAR ($1) FY20

- **Investment Income (.57)** $1,336M
- **Gifts (.04)** - $104M
- **Sponsored Research and Other Grants & Contracts (.11)** $250M
- **Housing, Dining, Rental & Event (.05)** - $110M
- **Student Fees (.17)** $401M
- **PPPL (.05)** - $109M
- **PPPL (.05) - $109M**
- **PPPL (.05)** - $109M

## USES

- **Educational & General (.54)** $1,252M
- **Student Aid & Graduate Student Support (.18)** $417M
- **Pending Strategic Initiatives (.08)** - $196M
- **Auxiliary & Service (.04)** - $104M
- **Capital Budget Transfer (.11)** $251M
- **PPPL (.05)** - $109M

## SOURCES

- **Faculty & Staff Salaries & Benefits (.37)**
- **Non-Personnel Expenses (.17)**
- **Undergraduate Scholarship (.08)**
- **Graduate Student Support (.10)**
- **University Services (.03)**
- **Athletics (.01)**
Where to Learn More

- We welcome your comments and questions to: Rick Myers (richard.myers@princeton.edu)
- To read prior reports, go to the Committee’s website: http://www.princeton.edu/provost/priorities-committee/