

## **Trends in Rutgers budget priorities and allocations**

Budget and Finance Committee, Rutgers University Senate

March 4, 2025

### **Summary:**

WHEREAS, the Rutgers Senate Budget and Finance Committee (BFC) has a Standing Charge<sup>1</sup> to:

*“... concern itself with all matters related to budget priorities, allocations and general planning ... these responsibilities include, but are not limited to, the following:*

*“To select and study policy issues associated with the University’s budget, including priorities and allocation of funds, and to develop recommendations to the Senate ...”*

WHEREAS, the Budget and Finance Committee has in the attached report concluded, after a thorough investigation, that:

- budgetary data for Rutgers University over the past 8 years unambiguously document that the largest expense Unit (Central) has grown significantly, with some categories more than doubling over that time frame;
- over the same period within the Central Unit, Libraries’ funding from the University has decreased by over \$8M (25%) in inflation-adjusted dollars;
- also within Central, the most significant growth is in Salaries and Wages, and the fastest growing Central Divisions are the Controller and the Exec. VP for Academic Affairs;
- these data also document that the most influential increases in Rutgers’ non-medical expenses involve management and athletic units, which have seen increases of over \$160 million in real, inflation-adjusted, dollars over the past 8 years;
- these same data document that the most influential decreases in Rutgers’ non-medical expenses over the same time period involve academic and dining units, which have been cut in real dollars by over \$140 million; and
- this manifestly unsustainable situation has contributed to hardship and attrition among faculty, staff, students and parents;

Now therefore, be it:

RESOLVED that the President, and the Rutgers Community, take note of these financial trends; and

RESOLVED that the President and other University officers (e.g. Treasurer and Chief Financial Officer) review both academic and non-academic budgets with the goal to maintain and surpass Rutgers core missions and public values, that are instruction, career/life mentoring, and research; and

RESOLVED that the President and other University officers develop future budgets for not less than two year periods for all units; and

RESOLVED that the responsible Rutgers Officers provide similar data and tools at least annually for future allocation, priority, and planning purposes; and

RESOLVED that the Senate establish a publicly accessible archival database of these budgetary data, along with suitable analytic tools for analysis in the future.

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<sup>1</sup> <https://senate.rutgers.edu/standing-committee-charges/>

## 1 Background:

For this report, the BFC focused on trends in budget priorities and allocations over the past decade. We have analyzed 8 years of budgetary data provided by the University Treasurer and his staff, including revenues and expenses for every Unit, Division, and Organization at Rutgers. We are grateful to the Treasurer and his staff for their dedicated work compiling these data, which have represented the best spirit of shared governance.

There is more data now available than can be presented in a single report, so here we restrict ourselves to summarizing recent University budget allocations across Units to assess trends in growth or shrinkage over the past near-decade.

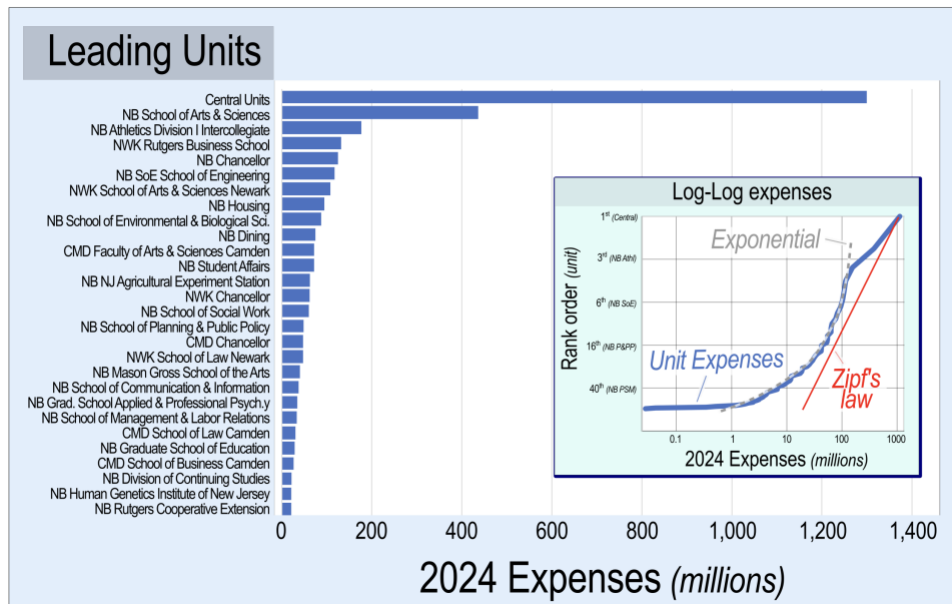
All data are currently available online or in the Appendices<sup>2</sup>; we recommend that the Senate establish a permanent repository for archival reference.

### 1.1 Current Allocations:

Rutgers classifies its budgetary structure into “Units”, “Divisions” and “Organizations”. As an arbitrary example, the Camden campus Department of Public Policy & Administration is an “Organization,” contained within the Division, “Social Sciences,” which itself is part of the Unit, “Camden Faculty of Arts & Sciences” (CFAS).

Units are the broadest classification: Rutgers currently has 93 of these; continuing this example, CFAS has 14 Divisions, and the Social Sciences Division has 3 Organizations. Consequently, there are far too many categories, each over the past 8 years, to analyze them all in a single report. Moreover, medical schools operate under a different financial model than other Schools, and include operationally distinct parts such as the University Correctional Health Care. Moreover, there is a plan to combine or re-establish medical schools in the near future, which will surely change any trend analysis. In view of these facts, we have chosen to exclude the 30 Units that make up Rutgers’ medical system from this report.

Likewise, to provide a summary of priorities and allocations, we analyze expenses in the present report. Future reports may include revenues as well as deeper dives within Units. Expenses for non-medical Units for Fiscal Year (FY) 2024 are shown in Fig. 1 below.



**Figure 1** - FY2024 Expenses for Rutgers highest expense (“Leading”) non-medical units (see Appendix 1 for all included units). Inset shows log-log plot of the same data, indicating that units are not organized as one would expect (red line) from interacting groups. Exponential fit is shown as dashed line for comparison.

<sup>2</sup> <https://rutgers.app.box.com/folder/285739288212?s=ya5yns1xypyeqz5yqtz2olg0tlru3ffn>

From the main plot, we see that Units including Central administration, Division I Athletics, and one of the Chancellors take much larger budget shares than other Units, such as Dining, Division III Athletics, or Bookstores. It is to be expected that Units have different sizes and costs, though the magnitudes of these differences is notable in itself.

In particular, interacting groups ranging from municipalities to companies to individuals are expected to evolve into a “Zipf” distribution, in which the cost grows inversely with the rank order<sup>3</sup>. This means that the cost of the largest unit should be 10 times that of the 10<sup>th</sup> largest, indicated as a red line in the inset to Fig. 1. This behavior is exceedingly well grounded, as established for example by the 1978 Nobel Prize in Economics (HA Simon<sup>4</sup>).

In fact, though, most of the growth in cost with Unit is exponential, indicated by the dashed line in Fig. 1, meaning that larger (smaller) Units cost anomalously more (less) than would be expected from established economic models. One cannot make too much of this observation, but at the same time the universality of scaling laws such as Zipf’s in interacting systems is one of the major findings of the past century, and we as academics we should not overlook this. Put another way, the extent to which Rutgers Units do not obey Zipf’s law is a quantitative measure of the otherwise anecdotal observation that Rutgers’ finances are artificially structured, and did not develop through straightforward interaction between Units<sup>5</sup>.

**Finding 1:** Rutgers’ non-medical unit annual expenses range from tens of thousands to hundreds of millions of dollars according to a mathematical growth law that is not characteristic of an interacting organization.

## **1.2 Unit revenues and expenses:**

Each of the Units obtain revenues (e.g. from tuition, grants, and government aid), and spend funds (largely for salaries and fringe; also for operational costs). Revenues are allocated to units through the RCM mechanism described in previous BFC reports<sup>6,7</sup>. We provide information on this allocation in the following two figures. These figures are useful for providing context, but they are unavoidably dense, and readers interested in take-home messages may want to skip forward to section **2** on **Trends**, and refer back to Unit allocation data as needed.

The allocation of revenues<sup>8</sup> and expenses across Units is visualized first in Fig. 2 from the same datasets as were used in Fig. 1.

<sup>3</sup> Cristelli, M., Batty, M., & Pietronero, L. (2012). There is more than a power law in Zipf. *Sci. Rep.*, 2(1), 812.

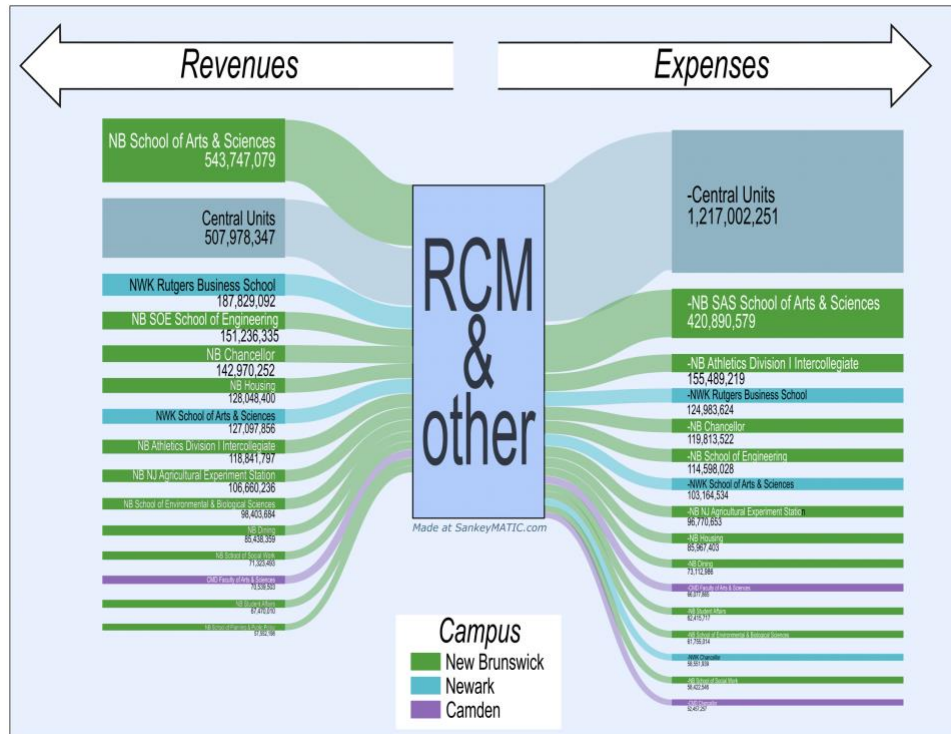
<sup>4</sup> [https://en.wikipedia.org/wiki/Simon\\_model](https://en.wikipedia.org/wiki/Simon_model)

<sup>5</sup> Marsili, M., & Zhang, Y. C. (1998). Interacting individuals leading to Zipf’s law. *Phys. Rev. Lett.*, 80(12), 2741.

<sup>6</sup> S-2010-1: Evaluation of the RCM Implementation at Rutgers, <https://senate.rutgers.edu/report/s-2010-1-evaluation-of-the-rcm-implementation-at-rutgers/>

<sup>7</sup> S-2307: RCM Detailed Recommendations, <https://senate.rutgers.edu/report/s-2307-rcm-detailed-recommendations/>

<sup>8</sup> Technical note: “Revenues” include all funds incoming to an organization in the specified fiscal year. Most of this is new revenue (e.g. tuition etc.), but some funds, termed PYNA, come from prior years.



**Figure 2** - FY2024 Budget flow diagram for non-medical units, showing unit revenues to left, and expenses to right. Units are color coded by campus as indicated in legend. Revenues include all funds made available in FY24, dominated by actual revenues obtained in FY24, but in some cases also including residual funds from prior years. Central box indicates that internal funds are redistributed through Responsibility Center Management (RCM: footnotes 6 & 7), but also includes other revenues, e.g. from direct State payments to units. Values are in dollars.

The largest contributors to revenues appear to be NB School of Arts & Sciences, Central, and NWK Business School, while the largest spenders are Central, NB School of Arts & Sciences, and NB Athletics Division I. We note that Central provides university-wide services, but does not itself generate revenues. Nevertheless, Central does pass through Student Aid and other funds to units across campuses, and these appear as revenues in Fig. 2.

About half of Central’s revenues (\$245M) come from federal & state student aid, which is passed through along with tuition & fees (\$50M) to pay for scholarships & fellowships (\$290M). The bulk of Central’s expenses – as is the case with other units – go to Salaries, Wages and Fringe benefits (\$585M combined).

Most germane to the BFC charge to select and study “... *priorities and allocation of funds*...” is assessing **changes** in funding resulting from university priorities. To that end, we first consider changes in Central over the period that we have data, 2018 to 2025, after which we turn to examining trends across all Units.

In Fig. 3, we show changes in expenditures by Central between 2018 and 2025. In Panel (a) we show that the largest growth has been in Salaries, Wages & Fringe, so evidently Central has been growing in employees and compensation, and the category, “Other Operating” expenses, has more than doubled.

In Panel (b), we see that several divisions within the Central Unit have been cut, while others have grown; for example, black arrows in that panel indicate that there has been an apparent reduction from “Library System Wide” expenses from Central of \$13.1M (partially associated with reorganization of budget lines, see below), and a comparable increase in \$11.9M for the Executive Vice President for Academic Affairs<sup>9</sup>.

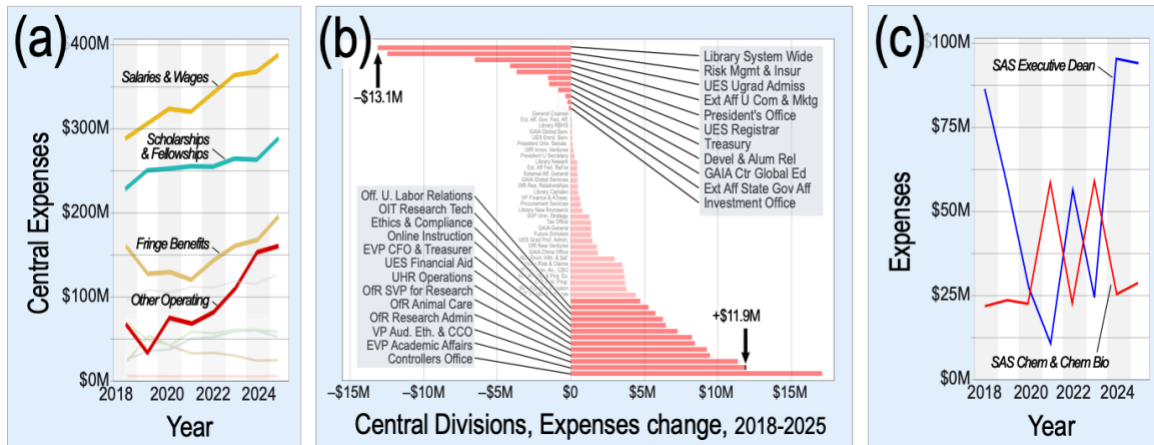
Panel (c) relates to a caution in data interpretation, discussed next.

<sup>9</sup> We neglect the Controller’s funds in this report: as near as we can determine, every Unit provides funds to the Controller, who redistributes the funds in a manner that may merit a separate analysis.

Data interpretation:

We turn shortly to data trends across the university, but before we do so, we note that budgets can be unexpectedly complex, and superficial interpretation can be insufficient to tell the whole story.

As one example, the purpose of the “Other Operating” category shown in Fig. 3(a) isn’t obvious. Several units have rapidly growing fund categories whose purposes are unclear to an outsider. Some of these are termed “Planning,” some “Office of the EVP,” some “Initiatives,” and so forth. There is nothing intrinsically wrong with these expenses, and the Budget & Finance Committee has requested further information about several growing but unclear categories of expense for future analysis.



**Figure 3** – Changes in expenses within two Units between 2018 and 2025, excluding the largest Central division, “RU Enterprise Wide Costs,” which did not exist in 2018 (see Data Interpretation).

(a) Growth in Central spending largely goes toward Salaries, Wages and Fringe, followed by Scholarships & Fellowships. “Other Operating” Expenses have more than doubled over the past 8 years.

(b) Change in Central expenses by Division show apparent cuts to Libraries, alongside growth in several VPs and the Controller. *Note as remarked in text that apparent cuts to Libraries – as well as other Divisions including Risk Management, the President’s Office and Treasury – are associated with reorganization of expenses within Central, and actual cuts to Libraries were smaller. The same is true of other Divisions within Central, and future detailed analysis may be valuable.* All Divisions within Central are included in these plots; to aid visualization, listings identifying the funding experiencing the largest decreases and increases are highlighted.

(c) Example illustrating a representative anomaly: large fluctuations can arise as funds are transferred internally: we emphasize that there is no reason to believe that this SAS department’s budget fluctuated annually by \$30M as a superficial glance might suggest. Understanding such budget features can only be obtained through improved shared governance.

A second example is that the library budget has decreased, but not as significantly as might at first appear: Despite the apparent reduction of \$13.1 from Central to Library System Wide, individual campus library budgets from Central increased by \$1.8M (visible from scrutiny of Fig. 3(b)). On this account alone, library budgets decreased by a smaller net amount: \$11.3M. Additionally, library expenses were reorganized within Central to be paid through the “RU Enterprise Wide Costs” Division, which is dominated by Financial Aid and Treasury payments, but also includes Utility Commodities, a RU Enterprise Wide Organization, and a mix of other purposes. Moreover, when this change occurred, in FY24, Central’s Library System Wide expenses went down \$13.4M, and simultaneously went up \$19M in the re-organized category: a net \$5.4M increase. On this basis, one could argue that the \$11.3M apparent decrease should be adjusted by this amount to a \$5.9M decrease. In the end, the simple question of how much Central spends on Libraries cannot be easily addressed without additional analysis.

Libraries have a special importance across academic endeavors, and so we investigated their budget independently by obtaining budget figures directly from the Libraries administration. This was not possible for all University entities, however in the case of Libraries, their total cost pool budget (the amount transferred

through RCM – see Appendix 2), remained nearly flat in current dollars, representing a cut of \$8.1M (about 25%) in constant 2025 dollars<sup>10</sup>.

A final remark, however, is that the cost pool is the largest source of revenues for the Libraries, but the State of New Jersey also pays for fringe benefits for Library personnel. Since fringe has gone up substantially over the past decade, if these pass-through payments are included in the Library budget, then the total appears instead to increase between FY18 and FY25, by \$4.8M. Slower than inflation, but again, it is not obvious at a glance how to report these figures: as a cut, as no change or even as an increase.

Ultimately, in this case we find that the amount that libraries have to spend on salaries, operations, and collections seems to be best represented by the cost pool budget, which was reduced by \$8.1M in constant 2025 dollars.

Two final cautionary notes.

- 1) In Fig. 3(c), we show an anomalous fluctuation in expenses of two Divisions within the School of Arts & Sciences (SAS). This example was chosen to illustrate the work needed to correctly interpret results, because from all reports SAS Chemistry & Chemical Biology did not experience the annual \$30M funding fluctuations that a superficial glance might suggest: some internal transfer of funds that (hopefully) did not affect the department is likely at work here.
- 2) Fig. 3 does not imply that funds were taken from elsewhere for the purpose of increasing the budget of an Executive Vice President. The Senate is not included in budgetary decision making<sup>11</sup>, and so we refrain from comment on the reasoning behind budgeting decisions. Additionally, as shown in Appendix 3, the EVPAA increase does contain significant funds (\$2.5M increase) for the “Office of the EVPAA,” and for “EVPAA Initiatives” (\$1.6M increase), however the majority of the increase was used for Continuing Studies (\$6.3M) and for a new Institute (\$3.6M).

Our working assumption is that without evidence to the contrary, difficulties in interpretation are inevitable features of a large and complex budget, and **we strongly urge improved shared governance to prevent the risk of inadvertent misinterpretation of these complexities.**

We cannot detail all aspects of the budget at once, and so in the present report, we restrict discussion to the most influential funding trends.

**Finding 2:** The largest expense unit (Central) has grown significantly over the past 8 years, with some categories more than doubling over that time frame. The most significant growth within Central is in Salaries and Wages, and the fastest growing Divisions within Central are the Controller and the EVPAA.

## 2 Trends:

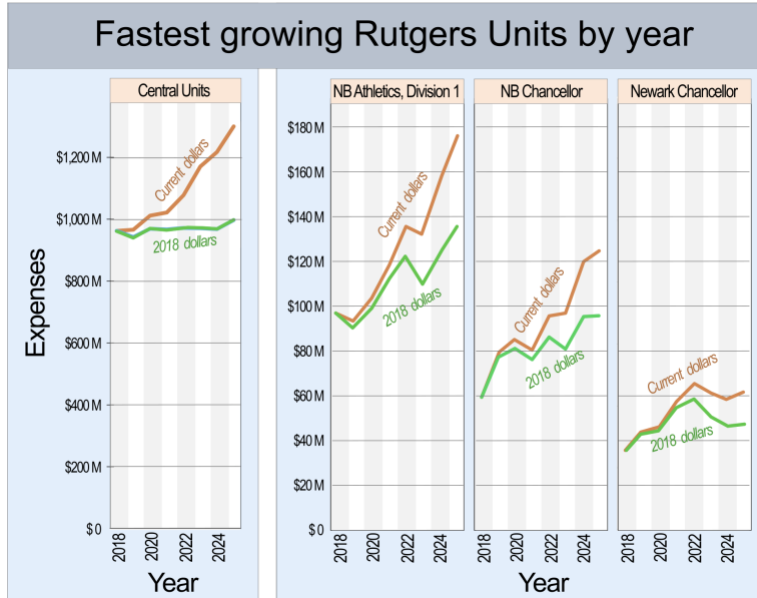
With changes in budgets within Units as an introduction, we turn to analyzing changes across the University. For this purpose, we recognize that a small change to a large Unit may have the same budgetary impact as a large change to a small Unit, and so to identify the most influential budget trends, we multiply the budget share from Fig. 1 (i.e. Unit financial size) by the change in expenses for all non-medical Rutgers units. In this way, spending trends can be ordered from most to least influential.

For brevity, we’ll call Units that have grown most substantially according to this ordering “*fastest growing*,” and Units that have shrunk most substantially “*fastest shrinking*.” The four fastest growing non-medical Units at Rutgers are shown in Fig. 4.

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<sup>10</sup> Inflation corrected using data from [www.in2013dollars.com/us/inflation/](http://www.in2013dollars.com/us/inflation/)

<sup>11</sup> See Senate Report 2010-1, “Evaluation of RCM Implementation at Rutgers,” <https://senate.rutgers.edu/wp-content/uploads/2023/01/2023-RCM-report-3.pdf>



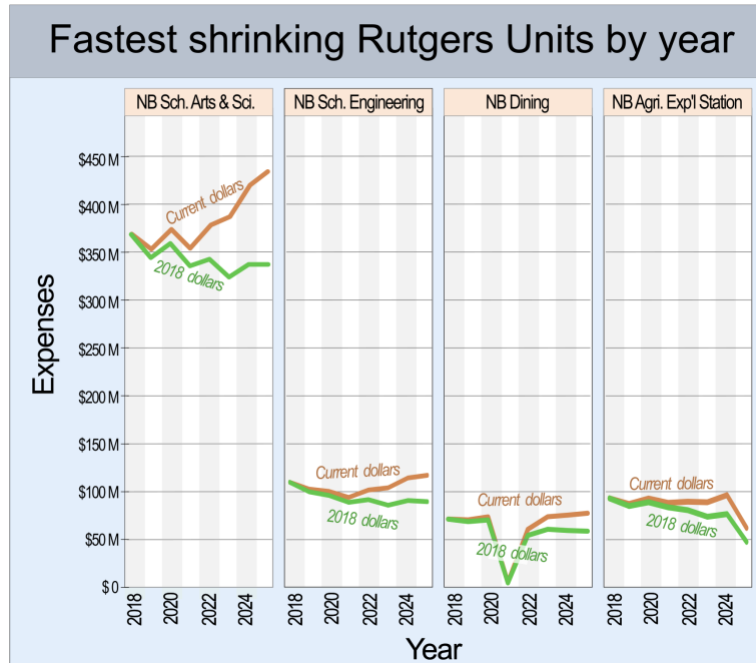
**Figure 4** – The four “fastest growing” (see text) non-medical Units at Rutgers: Central administration, Athletics Div. I, New Brunswick Campus Chancellor, and Newark Campus Chancellor. Plotted are annual expenses between 2018 and 2024 in both current dollars (brown) and in inflation-adjusted<sup>12</sup> dollars (green). The Central Unit is plotted on a separate vertical scale to include its large values.

**Finding 3:** The most influential increases in Rutgers’ non-medical expenses over the past 8 years involve management and athletic units.

We’ll examine the amounts of growth momentarily; first, let’s look at the Units that have been most significantly cut over the past 8 years. These “fastest shrinking” Units, shown in Fig. 5, are the New Brunswick School of Arts & Sciences, the New Brunswick School of Engineering, New Brunswick Dining, and the New Brunswick Agricultural Experiment Station, each of which has decreased its budget in real, inflation-adjusted<sup>13</sup>, dollars (plots in green).

<sup>12</sup> <https://www.in2013dollars.com/us/inflation/>

<sup>13</sup> <https://www.in2013dollars.com/us/inflation/>



**Figure 5** – The four “fastest shrinking” non-medical Units at Rutgers: New Brunswick School of Arts & Sciences, New Brunswick School of Engineering, New Brunswick Dining, and the New Brunswick Agricultural Experiment Station. Plotted are annual expenses between 2018 and 2025, in both current dollars (brown) and in inflation-adjusted dollars (green).

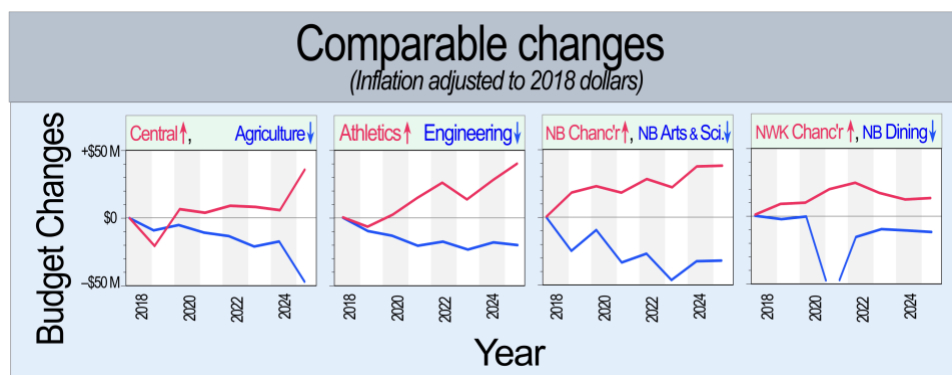
**Finding 4:** The most influential decreases in Rutgers’ non-medical expenses over the past 8 years involve academic and dining units, which have been cut in real, inflation-adjusted, dollars.

The preceding figures indicate that expenses of academics (and dining) have been regularly cut over the past 8 years, while management and athletic Units have grown. At this stage of our analysis, we cannot assess any intent or correlation between these two trends without being included in budgetary decision-making (see below), however from budgetary data we can identify where money is coming from, and where it is going to year after year.

This identification is somewhat difficult to interpret from the preceding plots, which involve Units whose expenses range from \$50 million to \$1.3 billion, but it so happens that – as was the case within the Central Unit (Fig. 3) the dollar **changes** in these expenses are comparable, each ranging from minus to plus about \$25 million in over the past 8 years. So in Fig. 6, we compare changes to expenses in the fastest growing and the fastest shrinking Units from 2018 to 2025, all on the same scale, from -\$50 million to +\$50 million.

Over the past 8 years, the total decrease from the 4 fastest shrinking Units has been about \$110 million, and the total increase to the fastest growing Units has been about \$130 million. These are both expressed in inflation-adjusted 2018 dollars; in 2025 dollars, these amount to cuts of about \$140 million alongside increases of about \$160 million. Other Units that have shrunk or grown by smaller amounts are not included in these totals.





**Figure 6** – Comparisons between changes in expenses of the most influential Units from 2018 on, in constant, inflation-adjusted 2018 dollars. Red indicates fastest growing, and blue indicates fastest shrinking Units. Evidently, money is being taken from academic (and dining) Units, and is being put into management (and athletic) Units.

**Finding 5:** For the most influential budgetary Units at Rutgers, management and athletics have grown by amounts comparable to cuts to academics and dining.

As has been mentioned in a prior Rutgers Senate report<sup>14</sup>, members of the Rutgers community are largely excluded from budgetary decision making, and so we cannot say why funds have been directed away from, for example, the New Brunswick School of Arts & Sciences and why about the same dollar amounts have been directed toward, for example, the New Brunswick Chancellor.

We can, however, say with quantitative certainty that over many years academic Units have been cut and that management and athletics Units have been expanded. This fact appears to reflect a priority that threatens the financial viability of the University, which is a grave concern. Indeed, hundreds of colleges and universities have shut their doors due to financial failures<sup>15</sup> and this alarming trend seems likely to worsen<sup>16</sup>. The same trend is reflected in concerns by parents and students<sup>17</sup>, and a majority of faculty<sup>18,19</sup> and staff<sup>20</sup> faced with increasing workload and decreasing support are considering leaving the profession altogether.

This is a manifestly unsustainable situation, and we call on the President, and the Rutgers Community, to take note of these financial trends and to reverse the strategic direction of growth, so that academics are prioritized over non-academic initiatives. In concrete terms, this would require the inflation-adjusted cuts suffered by academic Units (over \$100M in real dollars, according to Fig. 6) to be compensated by returning the excess and comparable growth in non-academic units.

<sup>14</sup> Senate Report 2010-1, “Evaluation of RCM Implementation at Rutgers,” <https://senate.rutgers.edu/wp-content/uploads/2023/01/2023-RCM-report-3.pdf>

<sup>15</sup> E.g. <https://hechingerreport.org/tracking-college-closures/>

<sup>16</sup> E.g. <https://www.bestcolleges.com/research/closed-colleges-list-statistics-major-closures/>

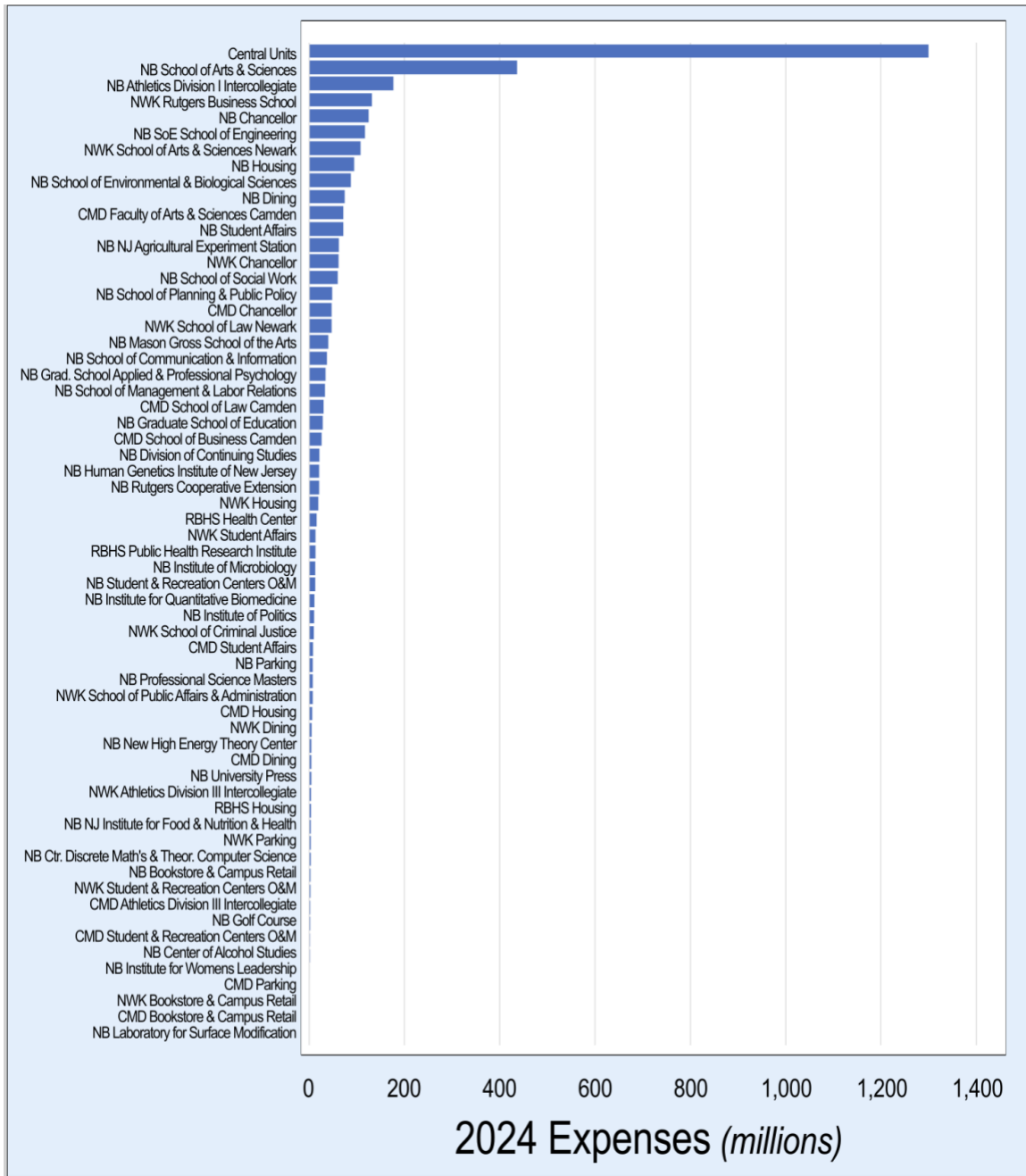
<sup>17</sup> E.g. <https://www.insidehighered.com/news/student-success/college-experience/2024/05/29/cost-higher-education-not-worth-it-students>

<sup>18</sup> <https://www.nea.org/sites/default/files/2022-02/NEA%20Member%20COVID-19%20Survey%20Summary.pdf>

<sup>19</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC9930908/>

<sup>20</sup> <https://www.chronicle.com/article/more-than-half-of-campus-staff-members-are-thinking-about-quitting-survey-finds>

**Appendix 1:**



**Figure A1** – FY2024 Expenses for all Rutgers non-medical units.

**Appendix 2 – Library budget:**

<b>Fiscal Year</b>	<b>Library Cost Pool Salary and Operations Budget</b>	<b>Library Cost Pool Collections Budget</b>	<b>Library Total Cost Pool Budget</b>
FY18	\$22,297,197	\$10,751,850	\$33,049,047
FY19	\$20,423,885	\$11,499,668	\$31,923,553
FY20	\$20,810,031	\$11,499,668	\$32,309,699
FY21	\$19,556,743	\$10,697,689	\$30,254,432
FY22	\$20,072,583	\$10,697,689	\$30,770,272
FY23	\$20,640,142	\$11,219,294	\$31,859,436
FY24	\$20,266,512	\$12,263,145	\$32,529,657
FY25*	\$20,047,704	\$13,827,738	\$33,875,442

\*Collections budget moved to enterprise wide but is still part of the library budget

**Table A1** – Libraries total “cost pool” budgets, meaning the total available for expenditure. Fringe provided directly by the state, is not included (added in Table A2).

Division Code - Description	Budget 2018 BOG	Budget 2019 BOG	Budget 2020 BOG	Budget 2021 BOG	Budget 2022 BOG	Budget 2023 BOG	Budget 2024 BOG	Budget 2025 BOG	FY25 vs FY18
1999 - RU Enterprise Wide Costs	0	0	0	0	0	0	0	16,116,738	16,116,738
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,116,738</b>	<b>16,116,738</b>
1900 - Library System Wide	24,626,899	24,089,749	24,461,687	21,818,991	23,542,692	24,876,029	25,126,308	11,505,694	(13,121,204)
1905 - Library Camden	2,047,152	1,887,442	2,098,035	1,892,224	2,136,449	2,207,697	2,294,862	2,540,304	493,153
1910 - Library New Brunswick	12,196,312	11,074,179	11,531,890	10,358,703	11,823,977	12,178,746	12,206,174	12,985,942	789,630
1915 - Library Newark	3,984,887	3,841,465	3,914,327	3,506,915	3,997,288	4,096,897	4,147,217	4,423,305	438,417
1920 - Library RBHS	3,879,131	3,447,316	3,493,199	3,174,680	3,659,682	3,982,211	3,777,641	3,950,006	70,875
<b>Total</b>	<b>46,734,381</b>	<b>44,340,150</b>	<b>45,499,138</b>	<b>40,751,513</b>	<b>45,160,088</b>	<b>47,341,581</b>	<b>47,552,201</b>	<b>35,405,251</b>	<b>(11,329,130)</b>
<b>Grand Total</b>	<b>46,734,381</b>	<b>44,340,150</b>	<b>45,499,138</b>	<b>40,751,513</b>	<b>45,160,088</b>	<b>47,341,581</b>	<b>47,552,201</b>	<b>51,521,989</b>	<b>4,787,608</b>

**Table A2** – FY24 Expenses for Rutgers Libraries, provided to BFC 1/23/25 by RFA. Fringe provided directly by the state is included here (source: "reply Faculty Senate - University Spending Priorities\_v1.pdf")

**Appendix 3 - Executive Vice President for Academic Affairs budget:**

BOG Account Great Grandparent Descr	U.D.O	GI Organization Descr	Budget 2018 BOG	Budget 2019 BOG	Budget 2020 BOG	Budget 2021 BOG	Budget 2022 BOG	Budget 2023 BOG	Budget 2024 BOG	Budget 2025 BOG	FY25 vs FY18
BBB EXPENSE											
	900.1800.1047	Academic Planning	0	0	0	0	0	0	772,444	816,462	816,462
	900.1800.1395	EVPAAs Initiatives	853,845	1,023,198	1,103,161	1,120,785	2,567,448	1,643,266	2,287,176	2,480,679	1,626,833
	900.1800.2180	Center for Critical Intelligence Studies CCIS	435,403	0	0	0	0	0	0	0	(435,403)
	900.1800.2305	Center for Organizational Development Leadership	522,135	565,662	594,180	511,793	0	0	0	933,411	411,276
	900.1800.2396	Office of Teaching Evaluation & Assessment Research	0	0	0	0	0	0	1,568,012	1,813,382	1,813,382 Reorg from DoCS
	900.1800.3397	Disability Services	1,191,317	1,768,040	1,971,171	1,766,799	1,826,168	2,209,988	2,535,440	2,648,038	1,456,720
	900.1800.3606	EOF Academic Year Undergraduate Article IV	0	0	84,297	85,834	91,650	99,494	104,962	0	0
	900.1800.4940	Institute for the Study of Global Racial Justice	0	0	0	0	732,765	4,775,160	4,536,273	3,620,177	3,620,177 New institute
	900.1800.4993	Institutional Research	3,148,506	3,170,128	3,730,349	3,623,330	3,892,471	4,214,246	3,415,037	3,927,739	779,233
	900.1800.5301	Labor Relations	1,086,428	1,094,263	1,176,680	1,185,557	1,303,345	376,034	0	0	(1,086,428)
	900.1800.6375	Office of Post Doc Advancement	0	0	0	0	0	0	294,429	328,837	328,837
	900.1800.6489	Office of the EVP for Academic Affairs	8,174,346	4,832,115	5,681,873	6,267,389	11,211,184	12,434,860	10,671,046	10,705,303	2,530,957
	900.1800.7170	Center on Policing COP	1,560,073	0	0	0	0	0	0	0	(1,560,073)
	900.1800.7569	Registrar	0	0	0	0	0	0	0	0	0
	900.1800.7620	Research & Innovative Strategies	0	0	0	0	1,634,356	1,176,141	243,138	270,100	270,100
	900.1800.8913	University Professors	5,613,705	5,318,040	5,073,573	6,407,034	6,212,249	6,945,052	6,918,992	5,906,257	292,552
	900.1800.9021	Veterans Affairs	979,602	818,846	867,126	807,989	908,528	982,921	953,602	1,151,768	172,166
	900.1800.9161	Women in Science & Engineering & Math	356,674	764,310	801,163	313,853	0	0	0	0	(356,674)
	900.1800.9999	Z NonOperations	(1,191,476)	0	0	0	0	0	0	0	1,191,476
	900.1810.1046	Academic Media	0	0	0	0	0	0	0	502,213	502,213 Reorg from DoCS
	900.1810.4480	GRID Lab	0	0	0	0	0	0	0	801,049	801,049 Reorg from DoCS
	900.1810.6365	Office of Online Instruction	0	0	0	0	0	0	0	4,962,243	4,962,243 Reorg from DoCS
	900.1824.7569	Registrar	3,160,242	3,178,519	1,183,550	1,164,579	1,193,290	1,612,121	1,779,123	1,619,774	(1,540,468)
<b>Grand Total</b>			<b>25,890,801</b>	<b>22,533,120</b>	<b>22,267,123</b>	<b>23,254,941</b>	<b>31,573,454</b>	<b>36,469,283</b>	<b>36,079,672</b>	<b>42,487,430</b>	<b>16,596,630</b>

**Table A2 – FY18-25 budget overview for Rutgers’ EVPAAs.**

**Appendix 4 –University Finance and Administration remarks:**

The office of Rutgers’ University Finance and Administration (UFA) is responsible for Rutgers’ budget, and received advance drafts of this report, at all stages of its development. The BFC did meet with the UFA on Feb. 28, 2025 to finalize remaining issues, and all responses to remarks provided as of the conclusion of that meeting are reflected in modifications to the report, as itemized below. Additionally, the UFA has been provided with the opportunity to include, unedited, any final commentary as a final appendix.

Two response documents from UFA have been received. Each is identified in the “Issue” category by number, as follows:

- (1) Word document: Notes-for-UFA-Response-Whereas\_Faculty Senate BFC\_Jan2025 1.30.25
- (2) Pdf document: reply Faculty Senate - University Spending Priorities\_v1

Items that are not in dispute are highlighted in green; items that have been addressed in revisions are highlighted in amber; items that are not germane to this report are highlighted in pink, and items not in dispute that remain for future discussion are highlighted in blue. No items are in substantive dispute.

Issue	Remark	Change or reply
(1) 8 years unambiguously document that non-medical Unit annual expenses range from tens of thousands to hundreds of millions of dollars	<i>Confirmed. Rutgers has a \$5.6B budget and 93 distinct units, and budgeted expenses varied by category and size between 2018 and 2025.</i>	No change is indicated.
(1) the largest expense Unit (Central) has grown significantly, with some categories more than doubling	Yes, “Central,” which is the largest budgeted expense unit has grown. This area of expense includes support for Debt, Insurance, Scholarships, Employee benefits, OIT Software Licensing, Utilities, and the Libraries and while some categories have increased significantly during that time, change over time is a result of many factors, including inflation, reorganizations at the division and unit level, etc.	No change is indicated
(1) largest reduction in costs over that time frame – about \$11 million – has been from the Libraries, while a comparable increase went to the office of the Executive Vice President for Academic Affairs	<i>Library collections of \$16.1 million moved from division 1900, “Library System Wide” to division 1999, “RU Enterprise-wide” in FY25. The change was made to better understand the budgeted cost for Enterprise-wide expenditures. The reduction of \$11 million above is in error as both division 1900 and 1999 need to be regarded in total. Additional commentary and information may be found in the “libraries” section of the “Trends in Rutgers budget priorities and allocations” document that was shared with the BFC on January 23.</i>	Throughout the document, we now make clear that the Libraries’ funding from the University has decreased by over \$8M (25%) in inflation-adjusted dollars. We further detail the distinction between library funding from the University and funding from the state to pay for fringe, which makes up the difference noted in the remark. Additionally, we detail this difference in the <a href="#">Data Interpretation</a> sub section, and include breakdowns of Library budgets in Appendix 2.
	<i>The increase to the office of the Executive Vices President for Academic Affairs is due largely to reorganization of departments from the Division of Continuing Studies (DoCS) and the establishment of the Institute for the Study of Global Racial Justice. Those changes amount to \$11.7 million in total.</i>	No change is indicated.

<p>(1) non-medical expenses involve management and athletic units, have seen increases of over \$160 million in real, inflation-adjusted, dollars over the past 8 years</p>	<p><i>We were unable to determine how the cited “increase of over \$160M in real, inflation-adjusted, dollars over the past 8 years” was calculated. If the “management and athletic units” referenced for your analysis can be specifically identified and shared with us, then we can run an analysis on the changes to those units between 2018 and 2025. Commentary on 4 units specifically identified in the “2. Trends” section of the “Trends in Rutgers budget priorities and allocations” document appears in the document shared with the BFC on January 23.</i></p>	<p>We have not added this arithmetic to the report, however it is a simple sum of figures presented in Fig. 4, adjusted for Consumer Price Index; adjustment source provided in footnotes 10,11 &amp; 12.</p>
<p>(1) non-medical expenses over the same time period involve academic and dining units, which have been cut in real dollars by over \$140 million;</p>	<p><i>We were unable to determine how the cited “cut in real dollars by over \$140 million” was calculated. If the “academic dining units” referenced for your analysis can be specifically identified and shared with us, then we can run an analysis on the changes to those units between 2018 and 2025. Commentary on 4 units specifically identified in the “2. Trends” section of the “Trends in Rutgers budget priorities and allocations” document appears in the document shared with the BFC on January 23.</i></p>	<p>We have not added this arithmetic to the report, however it is a simple sum of figures presented in Fig. 5, adjusted for Consumer Price Index; adjustment source provided in footnotes 10,11 &amp; 12.</p>
<p>No issues remain in document (1)</p>		
<p>(2)</p>	<p><i>There are 8 years of data, not 9</i></p>	<p>Agreed: revised</p>
	<p><i>In some graphs, revenue and prior year net assets are grouped together as “revenues.”</i></p>	<p>Agreed: this has been noted in caption to Fig. 2</p>
	<p><i>The report makes no mention of the purposeful intention and design for central operations to receive allocated funding.</i></p>	<p>This was not the purpose of this report.</p>
	<p><i>While the data is correct, the report is not telling the complete story with the information provided. In instances where there is a relationship between revenue and expenses, it is not captured. Fringe expenses impact the budget share; however, the revenue for fringe (value of state-paid lines) is not part of the explanation so, the information is skewed</i></p>	<p>Agreed: we include a partial explanation in the <a href="#">Data Interpretation</a> subsection focusing on the Libraries example. The data we have contains 3 categories: Revenue, Expense, and Transfers &amp; Cost Pools. Fringe is indeed part of the Revenue category. We do not have the resources to change all units’ data at this time, but we would welcome help for a future report.</p>
	<p><i>Recoveries, or intercompany transfers, are recorded as a credit or reduction in expenses; we see instances where that is depicted as a negative expense, impacting the overall “expense budget.”</i></p>	<p>It isn’t clear what we should do with this information. We simply reported the data that we received from UFA. We accept – and mention repeatedly in the report – that there are subtleties in the data, and hope the in future we may have the opportunity to better and report on these subtleties where they relate to Senate business.</p>
	<p><i>The Controller’s division holds the fringe valuation adjustments, both a reduction to revenue and a reduction to expense. When depicting budgeted expenses, this division portrays a negative total and impacts the total for the unit, division or organization.</i></p>	<p>As above, it isn’t clear what we should do with this information, but welcome further discussion.</p>
	<p><i>The report indicates that health-related schools operate under a different model and are not</i></p>	

	<i>included. The Camden School of Nursing was not part of the exclusion, only RBHS units.</i>	We excluded RBHS and NJMS, but did not single out other schools. Moreover, it is not clear whether nursing schools do or do not obey the same budgeting models as RBHS & NJMS, so we do not feel that granular tuning of the data to include or remove particular units is called for here.
	<i>Very little effort pertains to revenue analysis</i>	
	<i>This is the same data that is available in the publication University Spending Priorities – by Chester Willard – the “Eight years of budget data” link provides access to a shared Rutgers Box owned by Troy Shinbrot (Professor) with 2018 – 2025 Budget data by UDO. We logged in as a Rutgers employee but there seems to be other login capabilities</i>	This was not the purpose of this report.  It is not clear how this relates to the present report. Nothing is secret about this report, and indeed it appears that in the months since its first appearance some of the data has been published on the web. We also agree that Troy Shinbrot’s Box files are not all publicly accessible.
	<i>“Sample Units” horizontal bar chart is misleading. The names do not match up with the bars. NB Athletics Division I Intercollegiate 2024 expense budget appears to be the second bar on the chart at approximately \$420M but the FY24 budget was \$177M for NB Athletics Division I Intercollegiate. See their own Figure 5 for comparison.</i>	All 93 Units cannot be made readable in this plot due to font size limitations. The choice of “Sample Units” is simply because Excel plots a periodic selection of list names for large lists on a small plot. The selection is provided by Excel, not by the authors. As is explained in the figure caption, “due to font size constraints not all units are listed on the left (see Appendix 1 for all units).”
	<i>This graph is in error as the total Central Revenues of \$507,978,347 represent FY24 while the components of revenue are those of FY25 not FY24. (PYNA are included as revenue.) This holds true for the Expenses. The user may easily total the expenses and verify the error.</i>	We have removed the plot referenced. We rechecked the data in the present plot (Fig. 2) and confirmed that all data come the same, FY24, data set. As for PYNA, as mentioned in any earlier reply we simply reported the data that we received from UFA. Nevertheless, we have added footnote 8, which describes prior year data.
	<i>Transfers and Cost Pools are not included in Revenues or Expenses</i>	
	<i>Reorganizations to Enterprise-Wide are not included when examining change</i>	Correct. This is how RCM works, as indicated in Fig. 2. Perhaps something else is meant by this remark; if not, it doesn’t seem germane.
		Agreed: we thank the UFA for this clarification. We have included a paragraph addressing this point in the Data Interpretation subsection, as well as mentioning it in the caption to Fig. 3, and in Appendix 2.
	<i>Other Operating Expenses actually decrease if Enterprisewide is excluded. Central Other Operating Expense overall increased by \$92.8 million. Excluding Enterprise Wide, Central Other Operating Expense decreased by \$25.3 million</i>	This is interesting, and we agree that removing Enterprise Wide Costs – especially state funded fringe – may change things for many Units. On the other hand, as discussed in the <u>Data Interpretation</u> subsection, it is difficult as it is to fairly assess Unit budgets, and removing fringe from Central, while keeping it in other Units, would make trend comparisons impossible.  Moreover, we do not have the resources to modify figures for every Unit, some of which have state-funded fringe while others do not. We will welcome help from UFA to do this if they feel it is worthwhile, but as it stands, we have done the analysis with volunteer labor, and so we only plotted the data we were provided.
		The exception to this is the Libraries budget, which as we have explained in the text we obtained independently

	<p><i>Reorganizations to Enterprise-Wide are not included when examining change.</i></p> <p><i>Items included in Enterprise-wide include Debt, Insurance, Scholarships, Employee benefits, OIT Software Licensing, Utilities, Library collections, etc.</i></p> <p><i>These items explain why Library, Risk Management, UES, President's Office, and Treasury are listed as being reduced. They are simply reorganized under a different category. Enterprise-wide expenses are graphed here to help portray the impact they have in Unit 900 overall. Enterprise-wide is 45.4% of the total central budget of \$1.3 billion, the remaining \$709 million are for operations or 54.6% of the total in FY2025.</i></p>	<p>so that we could analyze this as a case example to illustrate budget complexities. The Libraries budget is small and minimally influential, and so its budget does not affect other findings.</p>
	<p><i>EVPAAs increase is due largely to reorganization of departments from DoCS and the new Institute for the Study of Global Racial Justice – \$11.7 million in total.</i></p> <p><i>Inflation calculator (as identified in the article – not the report DRAFT) - U.S. Inflation Calculator: 1635→2025, Department of data</i></p>	<p>These are helpful clarifications, and we agree that future reports describing these and other details could be valuable. We have included a remark saying exactly this beneath Fig. 3, where the budget changes to Central Divisions are discussed.</p> <p>As always, we will all benefit from improved shared governance procedures to make this possible.</p>
	<p><i>Table below was calculated based on the inflation calculator website to recreate line chart from article. The green line, "2018 dollars" represents the FY's budget minus the cumulative inflation rate from FY18 to the corresponding FY through FY25. We recreated to ensure our understanding. Fastest Growing and Fastest Shrinking were determined based on the inflationary curve of 2018 dollars.</i></p>	<p>This is an legitimate point, and we are grateful for the clarification. We have included remarks describing this point in the <u>Data Interpretation</u> subsection.</p>
	<p><i>Central looks quite flat instead of one of the "fastest growing."</i></p>	<p>It isn't clear what article is referenced, however the Dept. of Labor inflation calculator appears to be the source of the online calculator that we used. In any event the results from UFA and our report agree.</p> <p>Agreed.</p>
	<p><i>A large component of Central is dedicated to Enterprise-wide costs.</i></p>	<p>As mentioned in the report, Central <u>looks</u> flat due to its unique scale of \$1.3B. Quantitatively, and on a comparable scale to other Units (Fig's 4 &amp; 6), it is among the "fastest growing," as reported.</p>
	<p><i>Not all units are based on enrollment</i></p>	<p>Not germane for this report.</p>
	<p><i>Athletics is not dependent on the enrollment of any one school or the university, whereas an academic unit school is very dependent on enrollment for revenue to support their expenditure budget.</i></p>	<p>Not germane for this report</p>
	<p><i>Reorganizations between Units and Divisions cause fluctuations in expenses</i></p>	<p>Not germane for this report</p>
	<p><i>The NB Chancellor's absorbs Enrollment Services, the Summer/Winter Office from DoCs and establishes the One Stop Shop Student Services.</i></p>	<p>Agreed, and emphasized in Data Interpretation subsection</p>



	<p><i>As expense owners shift, it may give the false appearance of an overall increase or decrease. For example, scholarships administered from the campus Chancellor Offices as opposed to the Academic Units.</i></p>	Not germane for this report
	<p><i>[referring to plot supplied by UFA:] Enterprise-wide expenses were removed. Salary, fringe, and supplies are the top three. The true cost of fringe is skewed as the State recovery of fringe benefits (a revenue component) is not part of the context. In addition, the valuation adjustment for operating and Enterprise-wide is included all under Enterprise-wide as this division holds the total for the unit in whole. Salary and Fringe are the highest dollar amounts and grow annually, typically above inflation.</i></p>	Agreed, and emphasized in the Data Interpretation subsection.
	<p><i>Athletics is not dependent on the enrollment of any one academic unit. The athletic rosters will be filled. We did compare the total revenue and expenses for Athletics. As revenues increase, expenses take on a similar trajectory.</i></p>	Thank you: this is helpful for future analysis. We agree that the largest dollar amounts of all Units is Salary and Fringe. An issue that would seem to merit further study is how salary amounts, and personnel numbers, change with Unit. The question of administration growth in salaries and has been raised many times in Senate discussions, but has not been quantitatively addressed.
	<p><i>Coaches' contract obligations and the dramatic increase of the fringe rate drive the largest components.</i></p>	Agreed, and potentially worth future analysis, but not germane for this report.
	<p><i>The annual tuition increase drives scholarship expense.</i></p>	Agreed, and worth future consideration.
	<p><i>Rise in travel costs (flights, hotel, etc.) since COVID has been significant.</i></p>	Unclear if this is germane for the present report
	<p><i>Nutrition support for student has increased as have food costs.</i></p>	Unclear if this is germane for the present report
	<p><i>The report identified two of the fastest growing units as the NB Chancellor and NWK Chancellor.</i></p>	Not germane for the present report (unless this is a reference to large restaurant expenses? Unclear.)
	<p><i>Scholarship in NB Chancellor increased from \$3.9M to \$30.5M which is a .1% increase over those seven years (Scarlet Guarantee). Scholarship in NWK Chancellor increased from \$6.1M to \$14.8M which is a 144.4% increase over those seven years (RUN-to-the- Top).</i></p>	Agreed. No change is indicated.
	<p><i>These report identified the units to the right as the "four fastest shrinking non-medical units at Rutgers." Please keep in mind this assessment was attained based on inflation as it is related to the budgeted dollars of 2018. The mix of fund</i></p>	Agreed, and analysis of details within all units merits further discussion. This first report focuses on budgetary outcomes between units, and we agree that it would be valuable to study financial considerations within units.
		Agreed, as above, though this seems be too finely detailed to be of broad concern.

	<p>types impacts the trajectory if the unit has a significant amount of sponsored awards. Revenues in academic and auxiliary units impact spending. was reduced during COVID and has recovered slowly.</p> <p>While the report identifies NB SAS as one of the fastest shrinking units, their expense budget has grown from \$367.7 million in 2018 to \$436.7 million in 2025. An increase of 18.76%</p>	<p>With respect to Dining, it has been suggested that elimination of faculty dining during COVID may also have played a role.</p> <p>No change is indicated. As emphasized in preceding UFA remark, "Please keep in mind assessment was attained based on inflation as it is related to the budgeted dollars of 2018". Both current and inflation-adjusted figures are shown in fastest growing and shrinking units.</p>
	<p>The budget categories are increasing in percentage, with the exception of three. Salaries and Wages up 36.0% Fringe Benefits is down 4.7% but this appears to be based on a bad initial budget in 2018. Supplies 45.1% Scholarships &amp; Fellowships down 5.7% (they are up over 690% in the NB Chancellor's Office, much transferred from schools) Travel up 48.1% Plant Operation and Maintenance up 74.7% Other Operating Expense up 21.9% Professional Fees down 36.7%</p>	<p>In this report, we focus on dollar trends, not percentages. Percentages are available for the time being on a publicly accessible Tableau sheet<sup>21</sup>, which our final resolution recommends be archived and updated.</p> <p>As mentioned in the report, one can always find a individual sub-categories that have grown dramatically, but this may not represent an influential change. Nevertheless, these details are interesting, though perhaps too finely detailed to be of interest.</p>
	<p>While the NB School of Engineering was identified as one of the fastest units for expenditure budgeting, their tuition and fee income shrank at a higher rate. FY18 tuition and fees were \$59.2 million and \$44.8 million with an inflation adjusted rate in FY25. A reduction of 24.3%. FY18 budgeted expenses were \$110.0 million and \$87.5 million with an inflation adjusted rate in FY25. A reduction of 20.5% It is natural for operating expenses to decrease as revenue decreases in an academic unit.</p>	<p>Again, interesting, worthy of future discussion, but too finely detailed for this first budgetary trends report.</p>
	<p>Recovery registration rental &amp; conference &amp; event services (AC.74111) – is a contra expense increasing from FY18 – FY25 with the credit reflecting as a reduction to operating expenses. Since these recoveries are contra expenses, the more service they provide to the University at large, the larger the reduction to Other Operating Expenses. This dynamic impacts the total view of the operating budget.</p>	<p>Not germane for this report.</p>
	<p>We further analyzed why expenses in NB Dining were decreasing and found that they directly correlated to NB Dining Auxiliary revenue. As revenue and meal plans decline, expenses to support the service decline.</p>	<p>Not germane for this report.</p>
	<p>To better understand NJ Agricultural Experiment Station, we added unit 335 NB Rutgers Cooperative Extension, which was separated into its own unit in FY25. NJAES is identified as "fastest shrinking" but when we take apart the types of operating funds you can see on the</p>	<p>We thank University Finance and Administration for this and other details. They do not appear to indicate changes in the present report.</p>

<sup>21</sup> [public.tableau.com/app/profile/nuria.diaz.tena/viz/Budget\\_rutgers\\_2018to2025\\_vExploration/RutgersBudgetFindings](https://public.tableau.com/app/profile/nuria.diaz.tena/viz/Budget_rutgers_2018to2025_vExploration/RutgersBudgetFindings)

No issues remain in document (2)	<i>graphs, that sponsored awards are influencing the budget reduction.</i>	
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