Communicating Financial Information Effectively

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Gail Gregory, Teibel, Inc.
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Northern Michigan University

- Marquette, Michigan
- Students
  - 8,221 Undergraduate
  - 697 Graduate
- Masters – Medium Programs
- Operating Budget: $179 million
ADMINISTRATIVE REVIEW AND CHANGE PROCESS

ORGANIZATIONAL RESTRUCTURING

STRATEGY AND BUILDING TEAM
According to our guest Kelly Fox, Senior Vice Chancellor and CFO from University of Colorado at Boulder, communicating effectively is not just about making sure the leadership team is up to speed. It's about positioning the most important messages of the institution in the most compelling light for every constituent audience, internal and external. This week on the show, Kelly joins Howard Teibel and Pete Wright to share her insights in effective communication, as Howard and Kelly prepare for their upcoming talk on the subject at the WACUBO 2014 Annual Meeting in Las Vegas.
Nearly 60 Colleges Charge $50,000 or More

By JACQUES STEINBERG

November 3, 2009 12:13 PM

Update | 2:41 p.m. See below for a fuller list of schools that the Chronicle counts as new to what it calls “the $50K Club,” and what those colleges charge, as well as a roll call of those that were already there.

Here’s yet another statistic that many college applicants and their families will receive as a body blow to their wallets: 58 private colleges now charge at least $50,000 for tuition, room and board, and other fees, according to an analysis by The Chronicle of Higher Education.
Getting connected

Pick a partner

Take 1 minute each and answer the following question:

What is it about being a *strategic communicator* that is important to you?
The real question

Willingness to uncover and discuss the brutal facts!

A positive view of the future!
To be a strategic communicator

1. Know your key message
2. Know your audience
3. Deliver in their language and find ways to engage
Telling a good story
Know your message

Key Message

Outcome 1
- Topic 1
- Topic 2
- Topic 3

Outcome 2
- Topic 4
- Topic 5
- Topic 6

Outcome 3
- Topic 7
- Topic 8
- Topic 9
KEY MESSAGE:

WHY MY UNIVERSITY IS GREAT!

OUTCOMES:

GREAT PLACE TO WORK
- CULTURE OF TRANSPARENCY
- PROF DULP OPPORTUNITIES
- BEAUTIFUL CAMPUS

GOOD REPUTATION
- GOOD RELATIONSHIP WITH THE COMMUNITY
- WELL REGARDED FACULTY
- ACADEMICALLY STIMULATING

MISSION
- CLEAR & FOCUSED STRATEGIC PLAN
- INNOVATIVE PRICING STRUCTURE
- GREAT FACULTY/STUDENT RATIO

TOPICS:
Know Your Audience

- Trustees
- Provost
- Foundation
- Student Affairs
- President
- Cabinet
- Student
- Staff
- State Legislature
- Trustees
- Alumni
- Enrollment Management
- Students
- Federal Council
- Presidency’s Council
- Community
- Parents
- Media
- Faculty
State Funding – For the Board

FY 2014 Current Funds Budget
$179M

- Tuition and fees: 39%
- State funding: 25%
- Gifts, grants, contracts: 12%
- Sales of educational services: 5%
- Investment income: 2%
- Auxiliary Funds: 17%

FY 2014 Education and General Budget
$107M

- Tuition and Fees: 64.5%
- State Funding: 33.4%
- Investment and other income: 2.1%
State Funding – For the Faculty

Funding Available to Educate Students

- Student Paid: 64.5%
- State Funding: 33.4%
- Research and Investments: 2.1%
State Funding – Campus and public story

Student Paid and other

Student Paid and other

Student Paid and other

Student Paid and other

Student Paid and other

Student Paid and other

State Funds

State Funds

State Funds
Key Message

Rising Tuition and Fees: Declining State Support
State Funding versus Tuition Revenue (Education and General Budget)

1994
State Appropriation = 67%
Tuition and Fees = 31%

2004
State Appropriation = 48%
Tuition and Fees = 50%

2014
State Appropriation = 34%
Tuition and Fees = 64%
Simplified with relationship

State Funding  Tuition & Fees

1994: 67% 31%
2004: 48% 50%
2014: 34% 64%
Target: State Legislature – Make it compelling

Rising Tuition and Fees/Declining State Support
Controlling costs – For the Legislature

Note: Total costs exclude financial aid
For your divisional staff and cabinet

<table>
<thead>
<tr>
<th>University</th>
<th>Expenses</th>
<th>FYES</th>
<th>Exp/FYES</th>
<th>Expenses</th>
<th>FYES</th>
<th>Exp/FYES</th>
<th>Expenses</th>
<th>% FYES</th>
<th>% Exp/FYES</th>
<th>% Difference 2008 to 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Univ 1</td>
<td>1,196,236,967</td>
<td>41,091</td>
<td>29,112</td>
<td>1,482,056,957</td>
<td>43,762</td>
<td>33,866</td>
<td>285,819,990</td>
<td>23.9%</td>
<td>6.5%</td>
<td>16.3%</td>
</tr>
<tr>
<td>Univ 2</td>
<td>469,963,232</td>
<td>24,682</td>
<td>19,041</td>
<td>516,607,184</td>
<td>23,301</td>
<td>22,171</td>
<td>46,643,952</td>
<td>9.9%</td>
<td>(1,381)</td>
<td>16.4%</td>
</tr>
<tr>
<td>Univ 3</td>
<td>118,722,841</td>
<td>6,255</td>
<td>18,980</td>
<td>134,790,427</td>
<td>6,135</td>
<td>21,971</td>
<td>16,067,586</td>
<td>13.5%</td>
<td>(120)</td>
<td>15.8%</td>
</tr>
<tr>
<td>Univ 4</td>
<td>828,595,998</td>
<td>43,289</td>
<td>19,141</td>
<td>1,003,162,905</td>
<td>45,446</td>
<td>22,074</td>
<td>174,566,907</td>
<td>21.1%</td>
<td>5.0%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Univ 5</td>
<td>257,426,933</td>
<td>21,995</td>
<td>11,704</td>
<td>301,229,662</td>
<td>20,978</td>
<td>14,359</td>
<td>43,802,729</td>
<td>17.0%</td>
<td>(1,017)</td>
<td>22.7%</td>
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<tr>
<td>Univ 6</td>
<td>86,153,134</td>
<td>6,287</td>
<td>13,703</td>
<td>107,620,878</td>
<td>6,687</td>
<td>16,094</td>
<td>21,467,744</td>
<td>24.9%</td>
<td>400</td>
<td>17.4%</td>
</tr>
<tr>
<td>Univ 7</td>
<td>223,144,358</td>
<td>20,951</td>
<td>10,651</td>
<td>286,736,384</td>
<td>22,271</td>
<td>12,875</td>
<td>63,592,026</td>
<td>28.5%</td>
<td>1,320</td>
<td>20.9%</td>
</tr>
<tr>
<td>Univ 8</td>
<td>247,048,148</td>
<td>21,142</td>
<td>11,685</td>
<td>287,959,340</td>
<td>21,694</td>
<td>13,274</td>
<td>40,911,192</td>
<td>16.6%</td>
<td>552</td>
<td>13.6%</td>
</tr>
<tr>
<td>Univ 9</td>
<td>66,343,074</td>
<td>5,503</td>
<td>12,056</td>
<td>91,218,325</td>
<td>6,760</td>
<td>13,494</td>
<td>24,875,251</td>
<td>37.5%</td>
<td>1,257</td>
<td>11.9%</td>
</tr>
<tr>
<td>Univ 10</td>
<td>29,165,786</td>
<td>2,344</td>
<td>12,443</td>
<td>30,324,593</td>
<td>2,238</td>
<td>13,550</td>
<td>1,158,807</td>
<td>4.0%</td>
<td>(106)</td>
<td>8.9%</td>
</tr>
<tr>
<td>Univ 11</td>
<td>133,253,301</td>
<td>8,004</td>
<td>10,385</td>
<td>102,465,702</td>
<td>9,025</td>
<td>11,354</td>
<td>19,340,401</td>
<td>23.3%</td>
<td>1,021</td>
<td>9.3%</td>
</tr>
<tr>
<td>NMU</td>
<td>100,875,549</td>
<td>8,428</td>
<td>11,969</td>
<td>106,532,579</td>
<td>8,257</td>
<td>12,902</td>
<td>5,657,030</td>
<td>5.6%</td>
<td>(171)</td>
<td>7.8%</td>
</tr>
<tr>
<td>Univ 13</td>
<td>173,467,813</td>
<td>14,871</td>
<td>11,665</td>
<td>208,332,557</td>
<td>16,699</td>
<td>12,476</td>
<td>34,864,744</td>
<td>20.1%</td>
<td>1,828</td>
<td>12.3%</td>
</tr>
<tr>
<td>Univ 14</td>
<td>225,644,498</td>
<td>17,995</td>
<td>12,539</td>
<td>243,898,490</td>
<td>18,358</td>
<td>13,286</td>
<td>18,253,992</td>
<td>8.1%</td>
<td>363</td>
<td>6.0%</td>
</tr>
<tr>
<td>Univ 15</td>
<td>159,356,884</td>
<td>11,393</td>
<td>13,987</td>
<td>176,649,230</td>
<td>12,206</td>
<td>14,472</td>
<td>17,292,346</td>
<td>10.9%</td>
<td>813</td>
<td>7.1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,265,270,516</td>
<td>254,230</td>
<td>16,777</td>
<td>5,079,585,213</td>
<td>263,817</td>
<td>19,254</td>
<td>814,316,697</td>
<td>19.1%</td>
<td>9,587</td>
<td>14.8%</td>
</tr>
</tbody>
</table>

For Fiscal Year 2007-08 and 2012-13, with a difference of 2008 to 2013.
Controlling costs -- For the Board

FY 2008 through FY2013 Educational and General Operating Costs

<table>
<thead>
<tr>
<th>Year</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$100,875,549</td>
</tr>
<tr>
<td>2009</td>
<td>$106,532,579</td>
</tr>
<tr>
<td>2010</td>
<td>$100,000,000</td>
</tr>
<tr>
<td>2011</td>
<td>$120,000,000</td>
</tr>
<tr>
<td>2012</td>
<td>$120,000,000</td>
</tr>
<tr>
<td>2013</td>
<td>$120,000,000</td>
</tr>
</tbody>
</table>
Controlling costs -- For the Board

FY 2008 through FY2013 Education and General Cost Increase
NMU vs State Peers

Note 2: Total costs exclude financial aid
Controlling Cost of Education – For the Board and Public/Students

FY 14 Student tuition
State peers
<table>
<thead>
<tr>
<th>Instead of...</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted Net Position</td>
<td>Available operations and investments</td>
</tr>
<tr>
<td>Requirements</td>
<td>Total Operating Budget</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>Today’s dollars</td>
</tr>
<tr>
<td>Reserves</td>
<td>Savings</td>
</tr>
<tr>
<td>Auxiliary operations</td>
<td>Self-funded operations</td>
</tr>
<tr>
<td>Pell</td>
<td>Federal need-based aid</td>
</tr>
<tr>
<td>FYES</td>
<td>Full-time equivalent students</td>
</tr>
</tbody>
</table>
What have you tried?

Pick a partner

Take 2 minutes each and answer the following question:

What are some effective and unique ways that you have used to communicate information?
Presentations – Best Practices

Keep it simple and concise
Be yourself
Use images to support your message
Use builds to support the story

- Willingness to uncover and discuss the brutal facts!
- A positive view of the future!
Additional Practice Tips

Intro
Close
Engage
Ways to engage

Questions/Exercises
Speak to one person at a time
Ask questions
Know your story

WHY you’re telling it

WHAT they should take away
Key things to remember

1. Where do you want to put a stake in the ground
2. Develop your compelling case
3. Speak to your audience (put yourself in their shoes)
4. Define your key message, then define outcomes and topics
5. Educate, engage and inspire others to act
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