

# **Analysis of the Financial Condition of Wesleyan University**

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# Main Conclusions

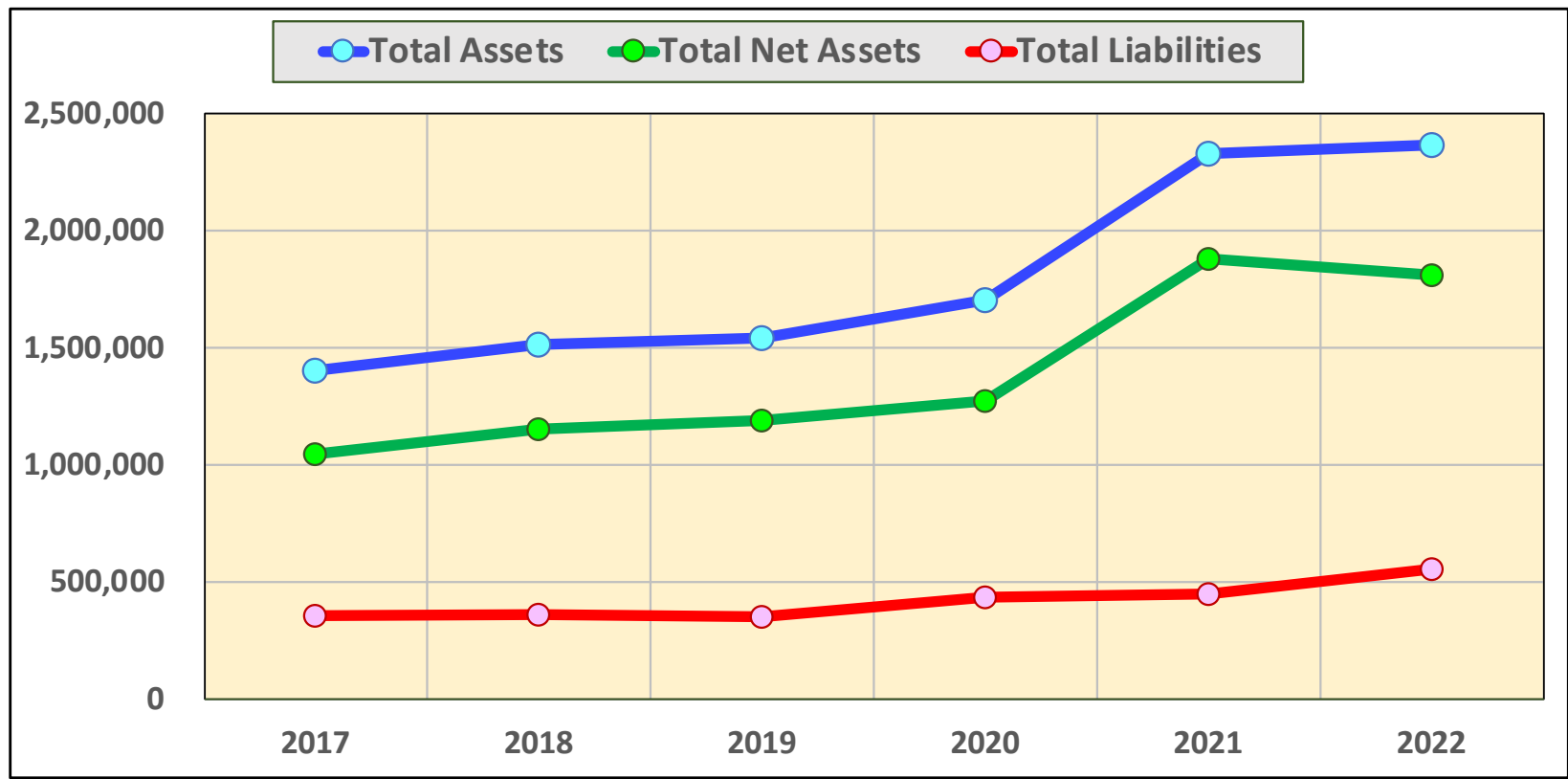
- Wesleyan University is in solid financial condition. This conclusion is based on solid reserves and cash flows, with a manageable amount of debt.
- This conclusion is supported by the most recent 2023 bond rating of both S&P at AA and Moody's at Aa3.
- Forbes ratio and grade of the financial strength of Wesleyan is further evidence that draconian cuts do not need to be made.
- Non-tenure track faculty hiring has been more prevalent in recent years
- Faculty salaries significantly lag salaries at two different groups of peer institutions
- Given the stability of enrollment and tuition revenue, it is hard to see how any cuts to the core mission are needed. If anything needs to be cut, it should be administration, not the core mission.

# Balance Sheet Overview

# Wesleyan Balance Sheet: \$479 Million of Total Assets

**Blue Line = Green Line + Red Line**

Source: Audited financial statements



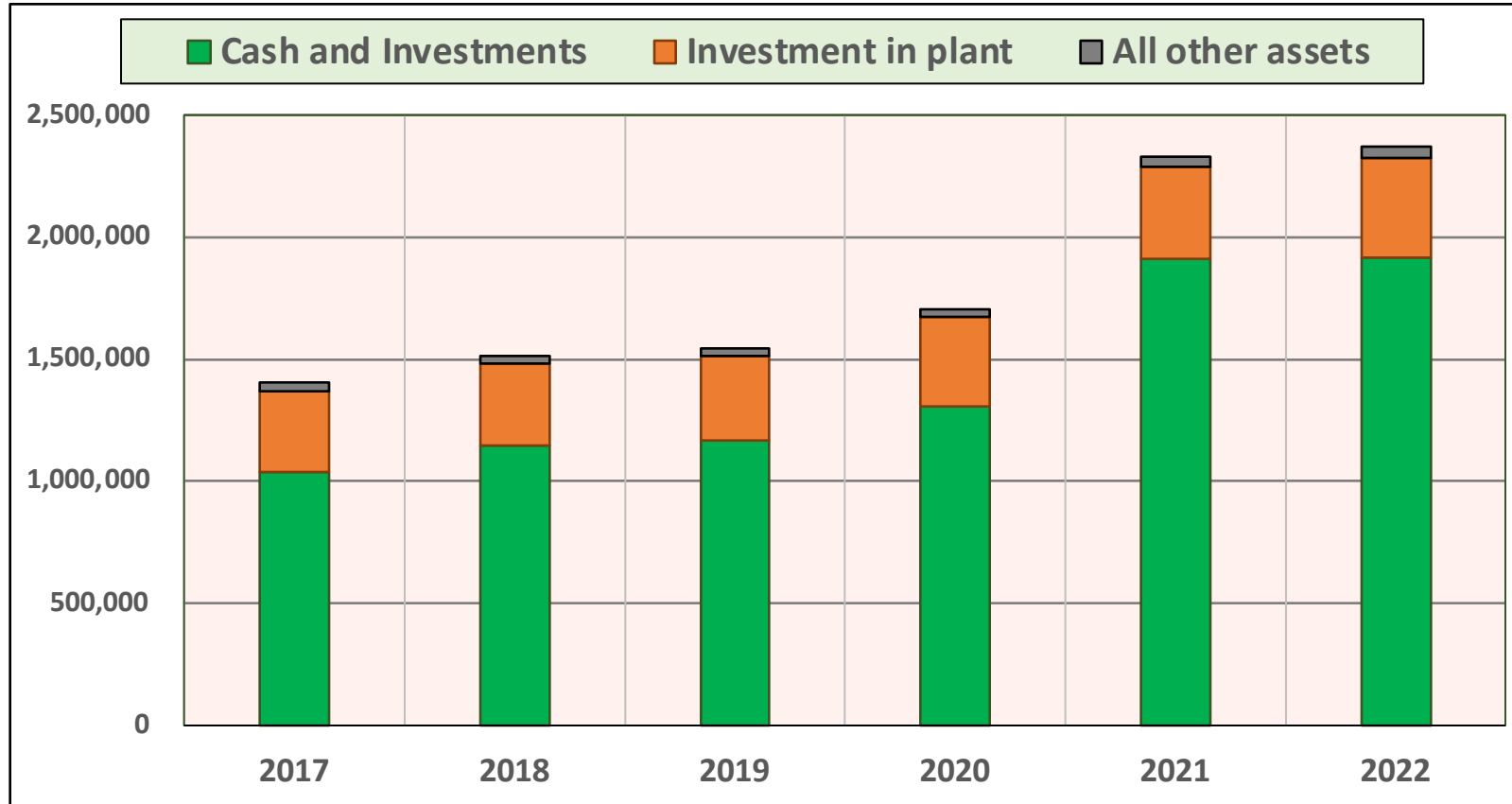
Amounts in thousands	2017	2018	2019	2020	2021	2022
Total Assets	1,402,849	1,515,172	1,541,592	1,706,429	2,329,320	2,367,734
Total Liabilities	355,108	360,123	353,364	433,810	450,221	555,992
Total Net Assets	1,047,741	1,155,049	1,188,228	1,272,619	1,879,099	1,811,742

# Discussion of the Balance Sheet

- This is a big picture view of the finances of Wesleyan, and we cannot make final conclusions from this graph, but there are some inferences that are relevant
- Total Assets grew from \$1.7 billion in 2020 to \$2.3 billion in 2021, mostly due to a robust stock market and growth in the endowment.
- We will next see how much of the \$1.8 billion of net assets are true unrestricted reserves (only about \$500 million)
- Total liabilities increased from \$450 million in 2021 to \$559 million in 2022. This was due to two new borrowings issued through the State of Connecticut Health and Educational Facilities Authority. The proceeds (per the bond statement) were used for:
  - The construction, renovations, equipping and furnishing of the Public Affairs Center
  - Construction of a new science center
- Overall, this is a solid balance sheet, as liabilities are very low when compared to assets.
- We will next examine assets

# Breakdown of the Total Assets (\$2.367 billion in 2022)

Source: Audited financial statements



The changes to the endowment for 2021 and 2022 are due to the ups (2021) and downs (2022) of the stock market.

Capital assets are mostly the campus buildings.

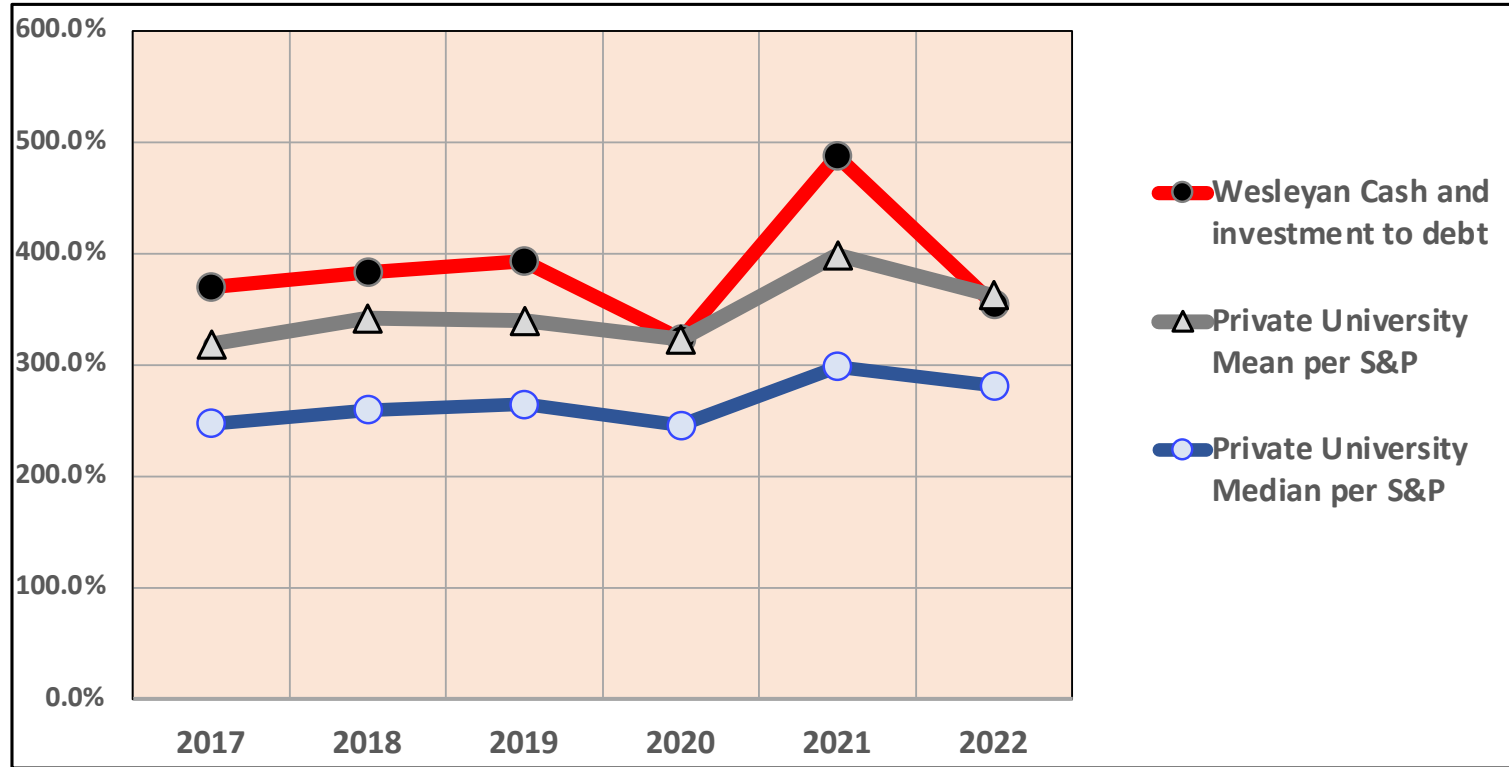
All other assets are mostly receivables and are very small

Amounts in thousands	2017	2018	2019	2020	2021	2022
Cash and Investments	1,040,412	1,147,689	1,167,297	1,307,737	1,911,833	1,916,436
Investment in plant	326,691	335,865	347,521	364,400	376,215	407,132
All other assets	35,746	31,618	26,774	34,292	41,272	44,166
<b>Total Assets</b>	<b>1,402,849</b>	<b>1,515,172</b>	<b>1,541,592</b>	<b>1,706,429</b>	<b>2,329,320</b>	<b>2,367,734</b>

# Cash and Investments compared to debt

Source: Audited financial statements and Merritt Research

<https://www.merritresearch.com/benchmark-central/privatehighered>



This data demonstrates that Wesleyan has a large amount of cash and investments, more than 3 times the level of debt.

This is considered very strong when compared to other private universities.

Amounts in thousands	2017	2018	2019	2020	2021	2022
Cash and investments	1,040,412	1,075,385	1,103,148	1,147,551	1,730,308	1,610,246
Debt	281,330	280,604	280,629	354,865	354,916	454,119
Wesleyan Cash and investment to debt	369.8%	383.2%	393.1%	323.4%	487.5%	354.6%
Private University Mean per S&P	318.3%	341.6%	339.3%	322.9%	398.4%	361.9%
Private University Median per S&P	247.0%	259.1%	264.1%	245.6%	298.3%	281.2%

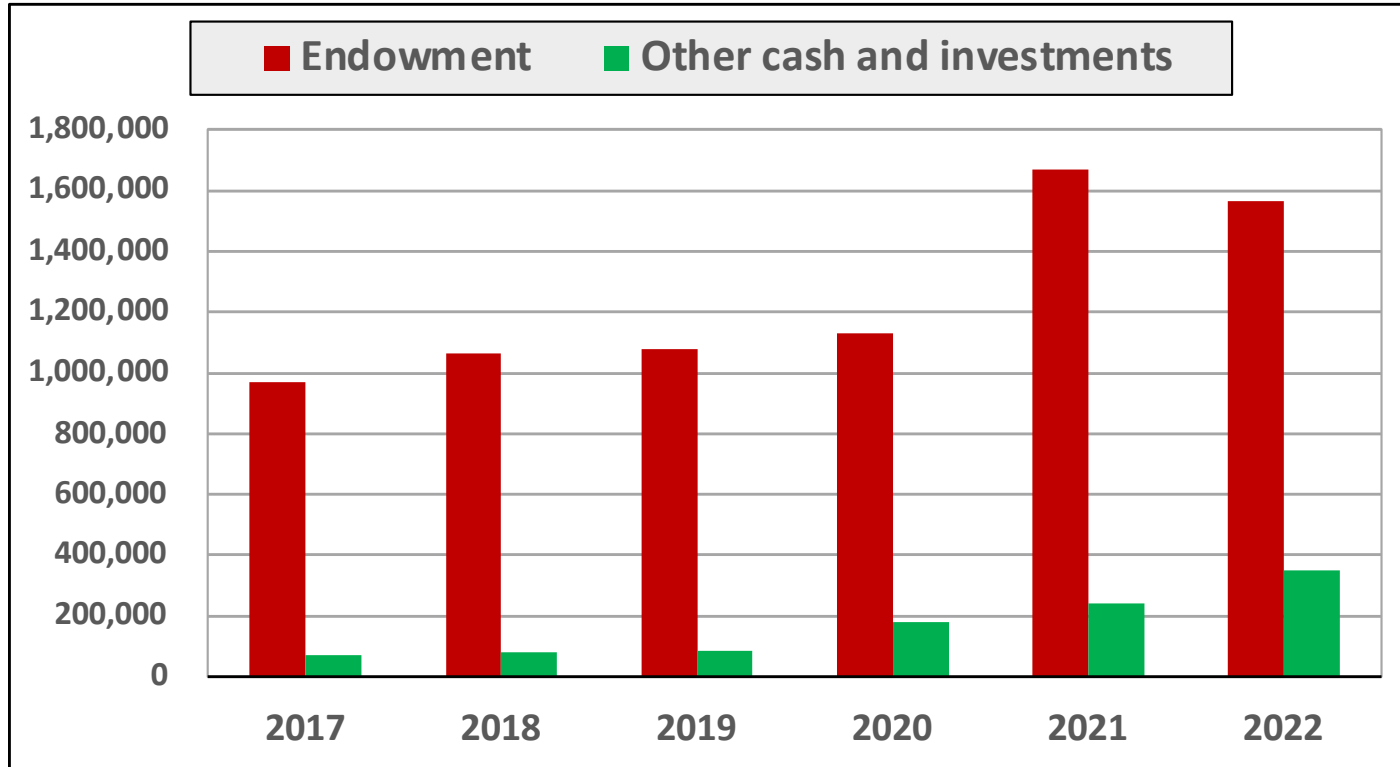


## **Investments and the Endowment:**

- **Composition of Investment Portfolio**
- **Portfolio returns vs. the Market**
- **Endowment coverage of Wesleyan expenses**

# Total Investments

Source: Audited financial statements



We will examine the components of these investments (where the money is invested), as well as the investment returns.

2021 was a big year for the market, and some of that was reversed in 2022.

	2017	2018	2019	2020	2021	2022
<b>Endowment</b>	<b>967,177</b>	<b>1,065,219</b>	<b>1,080,015</b>	<b>1,130,907</b>	<b>1,669,796</b>	<b>1,564,521</b>
Other cash and investments	73,235	82,470	87,282	178,830	242,037	351,915
<b>Total cash and investments</b>	<b>1,040,412</b>	<b>1,147,689</b>	<b>1,167,297</b>	<b>1,309,737</b>	<b>1,911,833</b>	<b>1,916,436</b>
<b>% of total that is the endowment</b>	<b>93.0%</b>	<b>92.8%</b>	<b>92.5%</b>	<b>86.3%</b>	<b>87.3%</b>	<b>81.6%</b>

# Breakdown of Investment Assets by Level of Risk

(definitions in two slides)

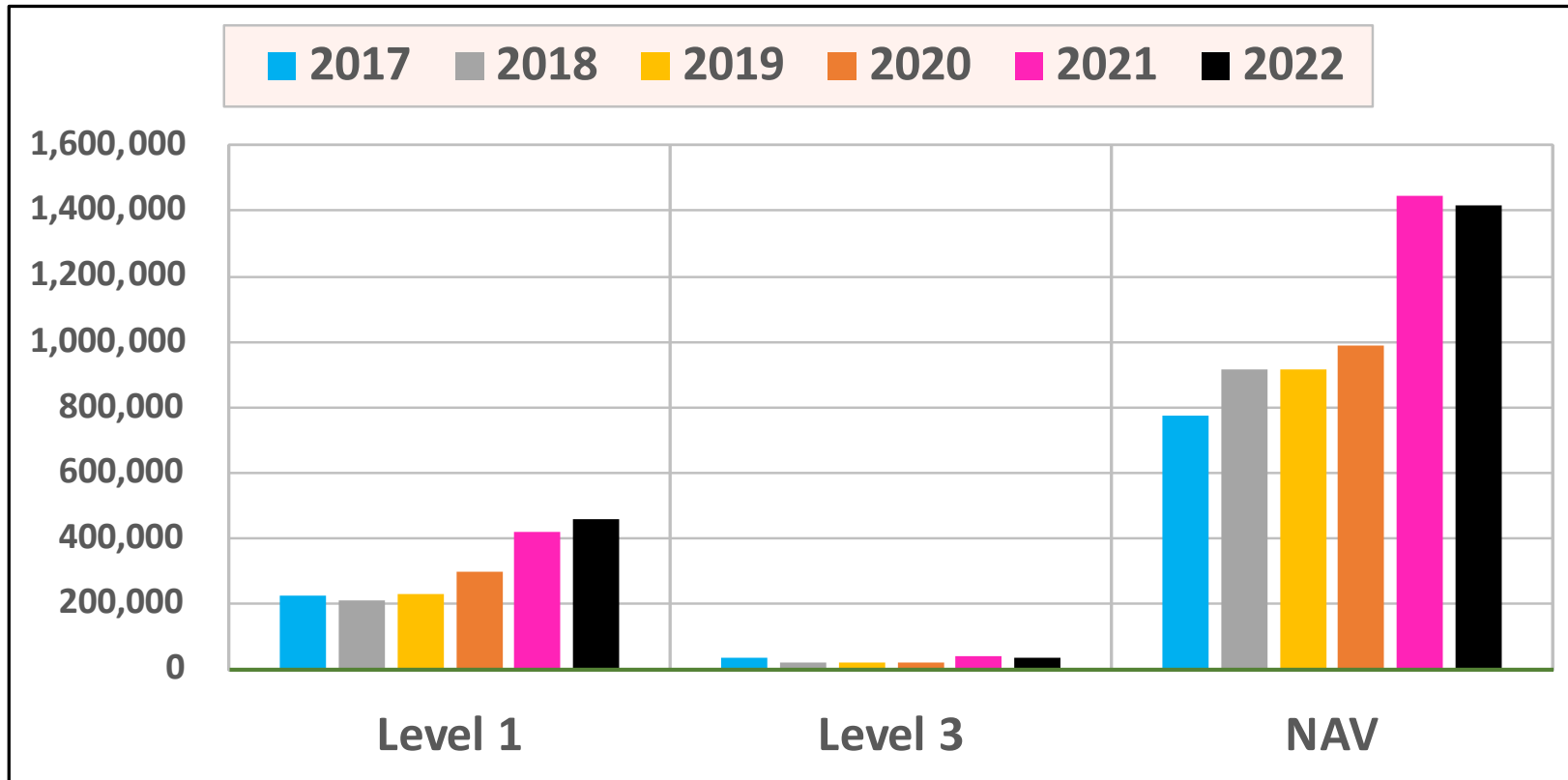
Source: Audited financial statements

Amounts in thousands	2017	2018	2019	2020	2021	2022
Level 1	225,589	213,371	229,628	300,025	422,114	460,499
Level 2	0	0	0	0	0	0
Level 3	37,601	20,210	21,840	21,308	42,743	38,466
<b>NAV</b>	<b>777,222</b>	<b>914,108</b>	<b>915,829</b>	<b>988,404</b>	<b>1,446,976</b>	<b>1,417,471</b>
<b>Total Cash and Investments</b>	<b>1,040,412</b>	<b>1,147,689</b>	<b>1,167,297</b>	<b>1,309,737</b>	<b>1,911,833</b>	<b>1,916,436</b>
Percentage distribution	2017	2018	2019	2020	2021	2022
Level 1	21.7%	18.6%	19.7%	22.9%	22.1%	24.0%
Level 2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Level 3	3.6%	1.8%	1.9%	1.6%	2.2%	2.0%
<b>NAV</b>	<b>74.7%</b>	<b>79.6%</b>	<b>78.5%</b>	<b>75.5%</b>	<b>75.7%</b>	<b>74.0%</b>
<b>Total Cash and Investments</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Level 1 is the least risky type of investing
- NAV stands for Net asset value and are the riskiest types of investments. The next few slides break down NAV investments and define them.

# Breakdown of Wesleyan's Investment Portfolio Graphically

Source: Audited financial statements



**In 2022, 74% of the total portfolio were in the riskiest securities, NAV.**

**We will soon examine if this investing has been successful.**

# Definition of Investment Categories (level 1 is least risky, NAV most risky)

Source: Audited financial statements

- **Level 1:**
  - Cash, short-term investments, global equities and fixed income
  - Investments based on quoted market prices
- **Level 2:**
  - Cash, short-term investments, global equities and fixed income
  - Based on quoted prices for similar instruments in active markets
- **Level 3**
  - Mostly Private equity funds
  - Based on valuation techniques that use significant inputs that are unobservable as they are not actively traded.
- **Net Asset Value (NAV):**
  - Examples are alternative assets, such as absolute return strategy funds, private equity funds, and real asset funds
  - Items classified as NAV do not have a quoted price in an active market-place.
  - Estimates the fair value of an investment at the measurement date using the NAV reported by the fund

# Detail of Level 1, Level 2, and NAV Investments for Wesleyan

Source: Audited financial statements

NAV Details	2017	2018	2019	2020	2021	2022
Global Equity	262,148	291,295	268,210	282,604	393,028	304,872
Real estate	48,409	48,107	53,263	55,617	65,351	77,699
Natural resources	45,157	75,033	54,485	30,076	33,531	41,216
Venture capital	63,996	102,315	147,307	184,426	378,772	426,223
Buyout	112,111	137,136	161,951	178,648	259,305	269,815
Other private equity	30,306	33,614	30,815	41,380	32,364	23,132
<b>Absolute return:</b>						
Long/Short equity	41,908	40,483	11,785	39,249	67,615	46,748
Multi-strategy absolute return	71,815	76,206	77,107	80,709	82,546	87,891
Other absolute return	74,588	90,925	103,202	95,695	134,464	139,875
Absolute return in liquidation	26,170	18,994	7,704	0	0	0
Other	614	0	0	0	0	0
<b>Total NAV Investments</b>	<b>777,222</b>	<b>914,108</b>	<b>915,829</b>	<b>988,404</b>	<b>1,446,976</b>	<b>1,417,471</b>

The fees for these investments are not reported in either the audited statements or the IRS 990's.

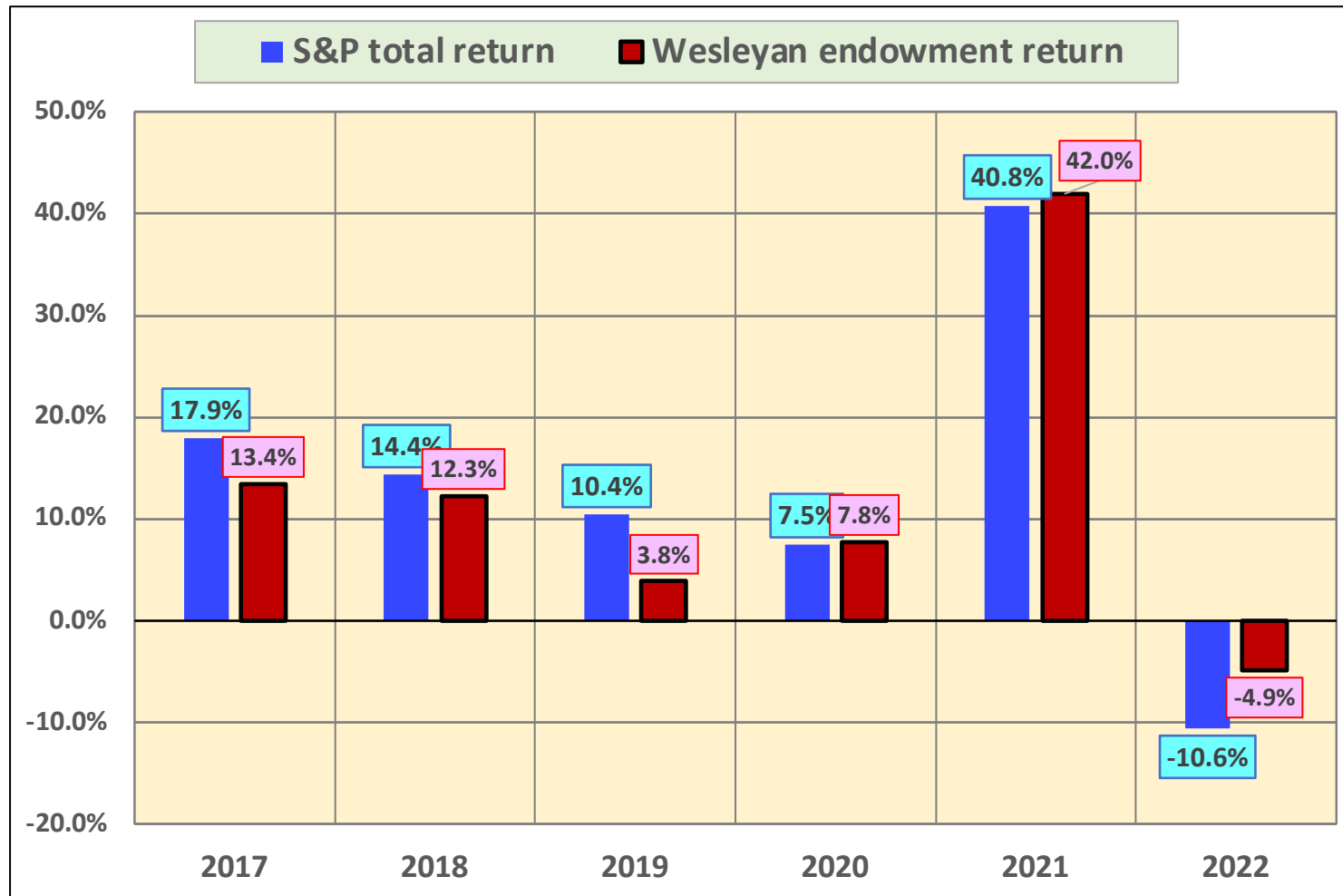
## From the Notes to the audited statements on investments

Certain funds contain lockup provisions. Under such provisions, share classes of the investment are available for redemption at prescribed dates in accordance with the partnership agreement of the fund. In some cases, funds may impose fees in exchange for advanced liquidity opportunities. A portion of the underlying investments within the categories of monthly to quarterly and semi-annual to annual may include private or side-pocket investments from which the University may not have an ability to redeem. Additionally, tranches of certain funds within these categories may restrict redemptions to a portion of the value over a rolling quarterly or annual basis.

The University has committed to invest in various limited partnerships. Under the terms of the partnership agreements, the University is obligated to remit additional funding periodically as managers exercise capital calls. These partnerships have a limited existence, generally 10 years, and such agreements may provide annual extensions for the purpose of disposing portfolio holdings and returning capital to investors. Depending on market conditions, an inability to execute the fund's strategy, and other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. As a result, the timing and amount of future capital calls expected in any particular future year is uncertain within a range of between 1 and 11 years. The aggregate amount of unfunded commitments associated with investments as of June 30, 2022 was \$364,381.

# Wesleyan Endowment vs The S&P

Sources: Audited financial statements and Yahoo finance for S&P total return



In every year from 2016 to 2019, the Wesleyan endowment got beat by the S&P 500. In every year from 2020 to 2022, the Wesleyan endowment beat the S&P 500 return.

The average return from 2016 to 2022 was 12.4% for Wesleyan vs. 13.4% for the S&P. The gross return was slightly higher for Wesleyan (109% vs. 101%)

The admin will claim there are other benchmarks, such as other endowments. However, they should at least be able to beat the S&P, and use of a plain vanilla market fund should be considered.



# Details on Changes in the Endowment

Source: Audited financial statements

Endowment returns:	2017	2018	2019	2020	2021	2022
Endowment assets, start	802,204	967,177	1,065,219	1,080,015	1,130,907	1,669,796
Investment return	118,754	124,775	41,295	85,832	587,691	(79,952)
Contributions	40,480	14,202	17,818	10,782	10,549	33,307
Working capital changes	41,048	(2,129)	(2,129)	(2,129)	(2,129)	(13,818)
Other increases (decreases)	1,249	238	(907)	(40)	(11,597)	2,368
Spending for operations	(36,558)	(39,044)	(41,281)	(43,553)	(45,625)	(47,180)
Endowment assets, end	967,177	1,065,219	1,080,015	1,130,907	1,669,796	1,564,521

- The top panel reports how the endowment changed each year.
- The investment return (green shade) was negative in 2022, after being hugely positive in 2021
- Spending for operations represent funding of Wesleyan operations supported by the endowment

## More Endowment Stats: Total Wesleyan Expenses Covered by the Endowment; Percent of endowment used for operations

Source: Audited financial statements

	2017	2018	2019	2020	2021	2022
Endowment spending	36,558	39,044	41,281	43,553	45,625	47,180
Total Wesleyan expenses	211,512	219,470	219,575	217,544	220,478	250,824
<b>% of Expenses covered by endow</b>	<b>17.3%</b>	<b>17.8%</b>	<b>18.8%</b>	<b>20.0%</b>	<b>20.7%</b>	<b>18.8%</b>
	2017	2018	2019	2020	2021	2022
Endowment spending	36,558	39,044	41,281	43,553	45,625	47,180
Average Endowment	884,691	1,016,198	1,072,617	1,105,461	1,400,352	1,617,159
<b>% of Endowment principal spent</b>	<b>4.1%</b>	<b>3.8%</b>	<b>3.8%</b>	<b>3.9%</b>	<b>3.3%</b>	<b>2.9%</b>

- The top panel reports that between 17% and 20% of total Wesleyan expenses are covered by the endowment.
- The bottom panel reports that approximately 3-4% of the endowment is spent each year; the two panels are not designed to be the same percentage
- The endowment spending is based on two factors:
  - 70% based on last year's spending, adjusted by the Higher ed price index (HEPI)
  - 30% based on 4.5% of the prior year's endowment

**Ratio Analysis:  
Reserves, Operating  
Margins and Cash  
Flows**

# Breakdown of Net Assets and Reserves

Source: Audited financial statements; Accounting disclosure rules changed in 2018

Amounts in thousands	2017	2018	2019	2020	2021	2022
Total Assets	1,402,849	1,515,172	1,541,592	1,706,429	2,329,320	2,367,734
Total Liabilities	355,108	360,123	353,364	433,810	450,221	555,992
Total Net Assets	1,047,741	1,155,049	1,188,228	1,272,619	1,879,099	1,811,742
	2017	2018	2019	2020	2021	2022
Without donor restrictions		382,050	396,851	425,030	602,488	585,139
With donor restrictions		772,999	791,377	847,589	1,276,611	1,226,603
Total Net Assets		1,155,049	1,188,228	1,272,619	1,879,099	1,811,742
	2017	2018				
Unrestricted	348,858	381,701				
Temporarily restricted	359,117	420,017				
Permanently restricted	339,766	353,331				
0	1,047,741	1,155,049				

# Discussion of Net Assets and Changing Accounting Rules

- **Up until 2019, there were 3 categories of net assets: permanently restricted, temporarily restricted, and unrestricted**
- **Starting 2019, 3 categories were changed to 2 via Government accounting rules (done at the behest of universities and other nonprofits, as 2 categories reveals less than 3). The two categories are Without donor restrictions and With donor restrictions**
- **Why are both reported for 2018?**
  - **In the 2018 audited statements, the old 3-category framework is used.**
  - **In the 2019 audited statements, as two years of data is reported, both 2018 and 2019 are reported using the new 2-category framework**

## Further discussion of reserves

- **We do not consider \$1 of the category with donor restrictions as part of reserves; this represents principle donated to Wesleyan that is not free to be spent.**
- **The category without donor restrictions are not all reserves; a good deal of the amount in this category are the buildings owned by Wesleyan**
- **In order to determine the level of true reserves, we use notes to the financial statements**
- **The admin will claim even the limited amount of reserves are “in the departments” and cannot be touched. That is not accurate, as the Board has total discretion over these funds**
- **Reserves are not a pot of cash sitting in the president’s office; however, it does represent funds that the admin has access to, and most importantly, it gives the administration financial freedom and flexibility.**

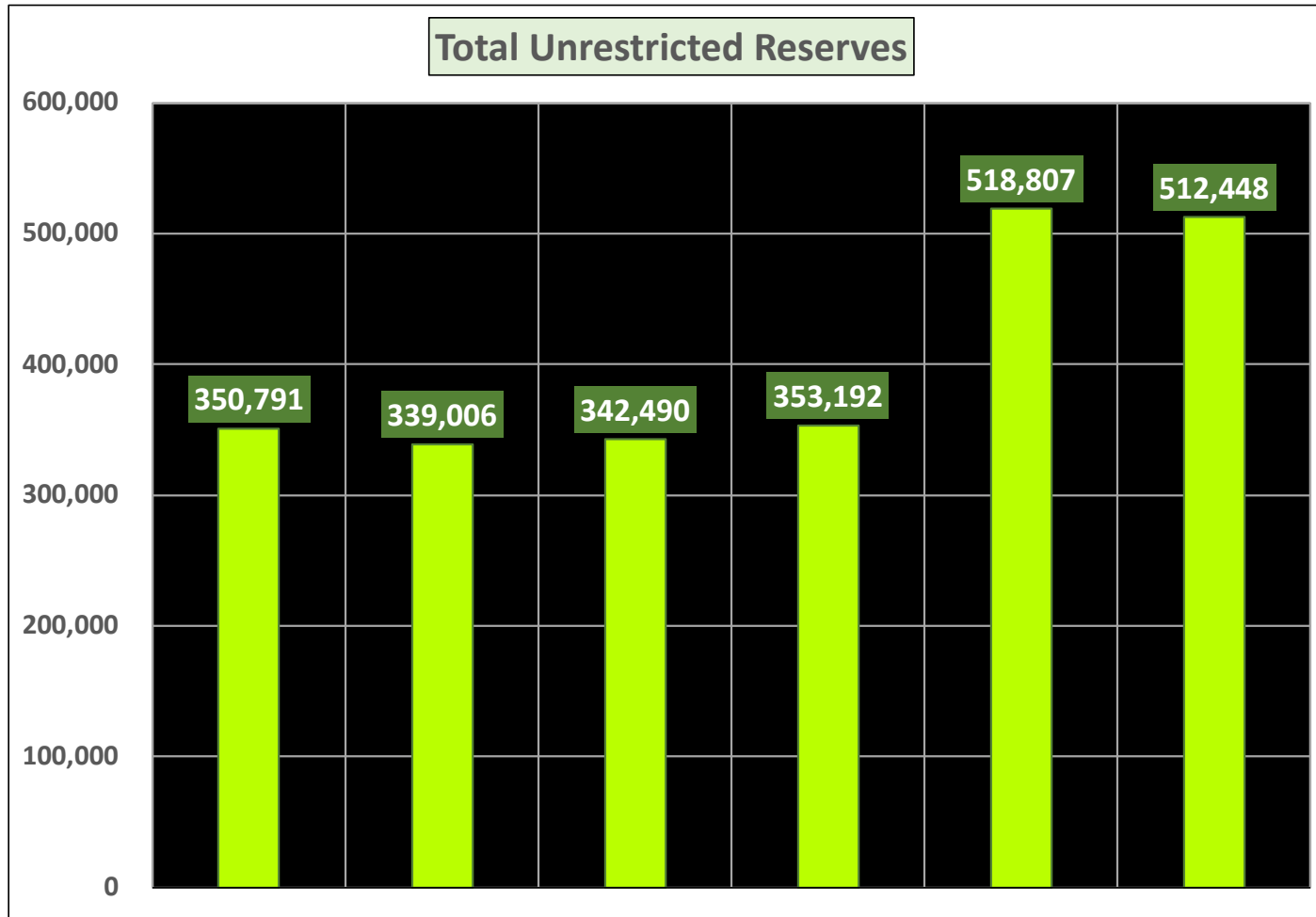
# Determination of Unrestricted Reserves

Source: Audited financial statements

	2017	2018	2019	2020	2021	2022
Undesignated	0	21,209	24,943	22,442	25,702	64,861
Board designated	293,737	255,414	255,274	265,601	395,861	368,002
Working capital	57,054	62,383	62,273	65,149	97,244	79,585
Investment in plant		43,044	54,361	71,838	83,681	72,691
Total Without donor restrictions		382,050	396,851	425,030	602,488	585,139
<b>What counts as reserves?</b>						
<b>First three items</b>	<b>350,791</b>	<b>339,006</b>	<b>342,490</b>	<b>353,192</b>	<b>518,807</b>	<b>512,448</b>

- Undesignated and board designated are fancy terms for discretionary reserves
- Note that total net assets in 2022 were \$1.8 billion. We are NOT claiming that all \$1.8 billion are true reserves – only \$512 million or 28% of total net assets are reserves
- Note that without donor restrictions were \$585 million in 2022, but we take out the \$72.691 million investment in plant component and do not count the full amount of without donor restrictions as reserves

# Unrestricted Reserves Graphically Over Time



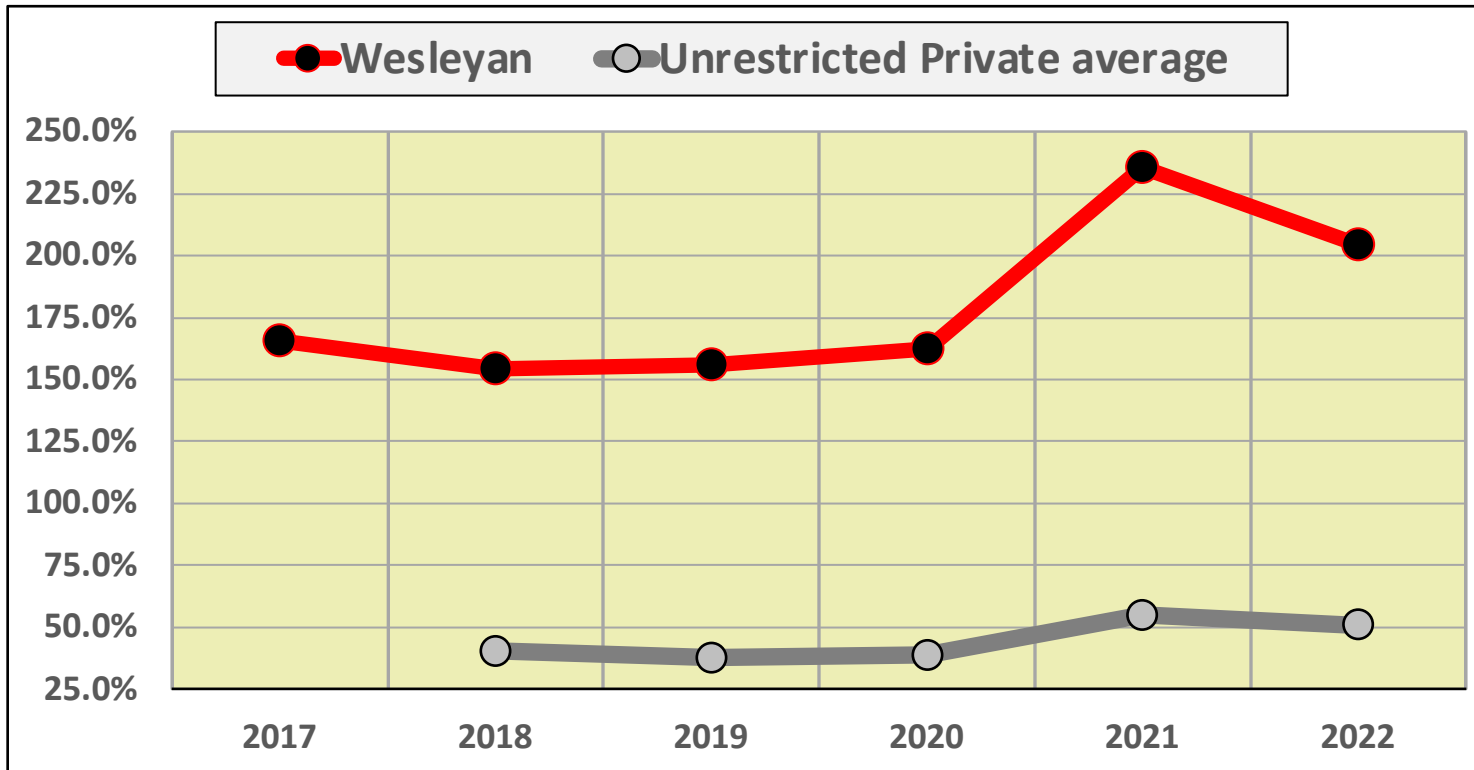
The level of unrestricted reserves in 2022 was the highest for any year except for 2021

The 2021 level was influenced by the stock market uptick.



# Reserves in Context: Primary Reserve Ratio

Sources: Audited statements and <https://www.merrittresearch.com/benchmark-central/privatehighered>

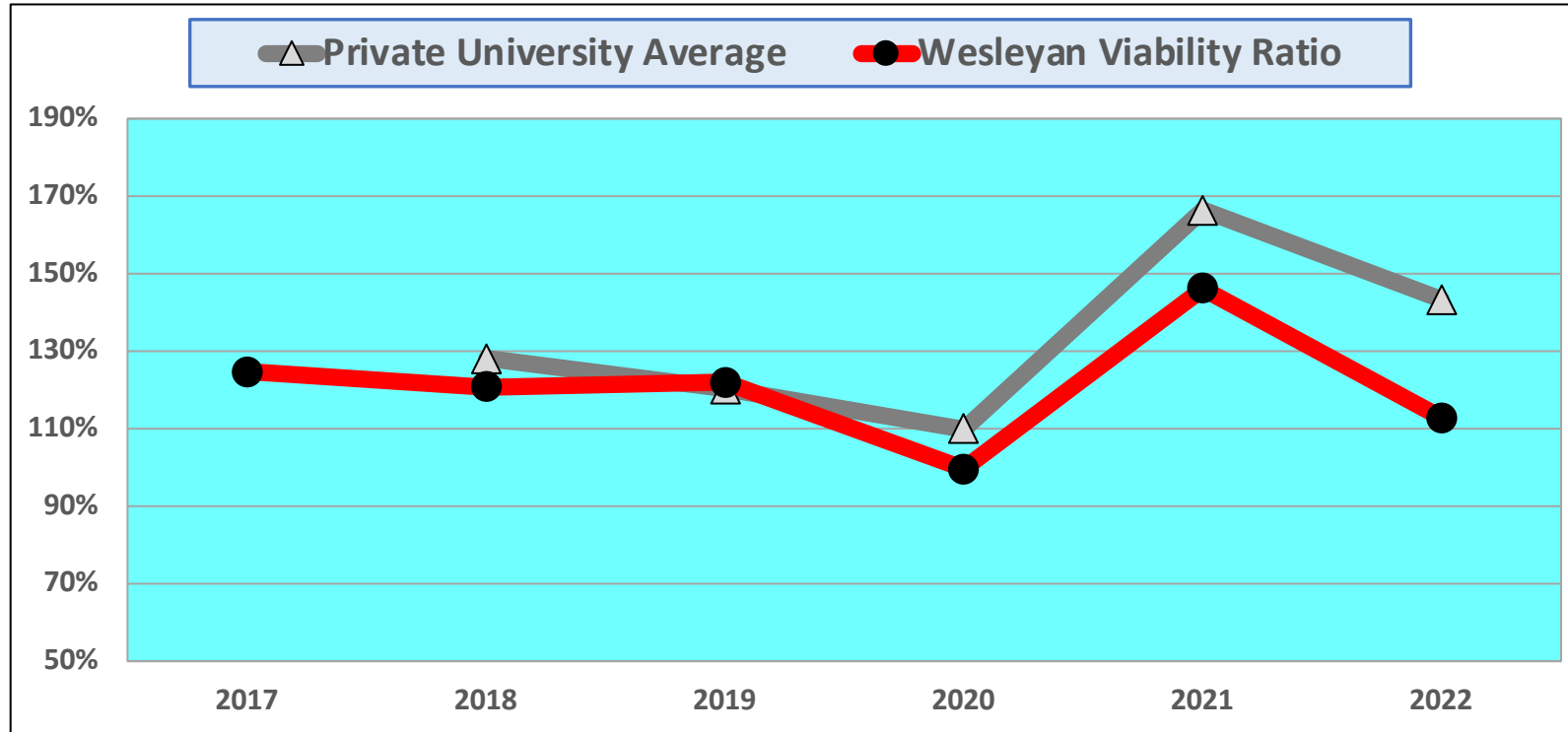


Wesleyan has more than 2 years of expenses in reserve, and this is well above the private university average per Merritt.

This is a main reason why Wesleyan has such a solid bond rating

	2017	2018	2019	2020	2021	2022
Unrestricted Reserves	350,791	339,006	342,490	353,192	518,807	512,448
Total Operating Expenses	211,512	219,470	219,575	217,544	220,478	250,824
<b>Primary Reserve Ratio</b>	<b>165.8%</b>	<b>154.5%</b>	<b>156.0%</b>	<b>162.4%</b>	<b>235.3%</b>	<b>204.3%</b>
<b>Number of Months in Reserve</b>	<b>19.9</b>	<b>18.5</b>	<b>18.7</b>	<b>19.5</b>	<b>28.2</b>	<b>24.5</b>

# Reserves in Context: Viability Ratio or Reserves compared to debt



This ratio for Wesleyan is a bit lower than the private university average in 2022, due to the increase in debt in 2022.

Still, the level is solid, as a ratio above 100% means that reserves are larger than debt.

Amounts in thousands	2017	2018	2019	2020	2021	2022
Unrestricted Reserves	350,791	339,006	342,490	353,192	518,807	512,448
Debt	281,330	280,604	280,629	354,865	354,916	454,119
<b>Wesleyan Viability Ratio</b>	<b>124.7%</b>	<b>120.8%</b>	<b>122.0%</b>	<b>99.5%</b>	<b>146.2%</b>	<b>112.8%</b>
Private University Average		128.1%	120.3%	110.0%	166.5%	143.3%

## 4 Different Constructs of Performance

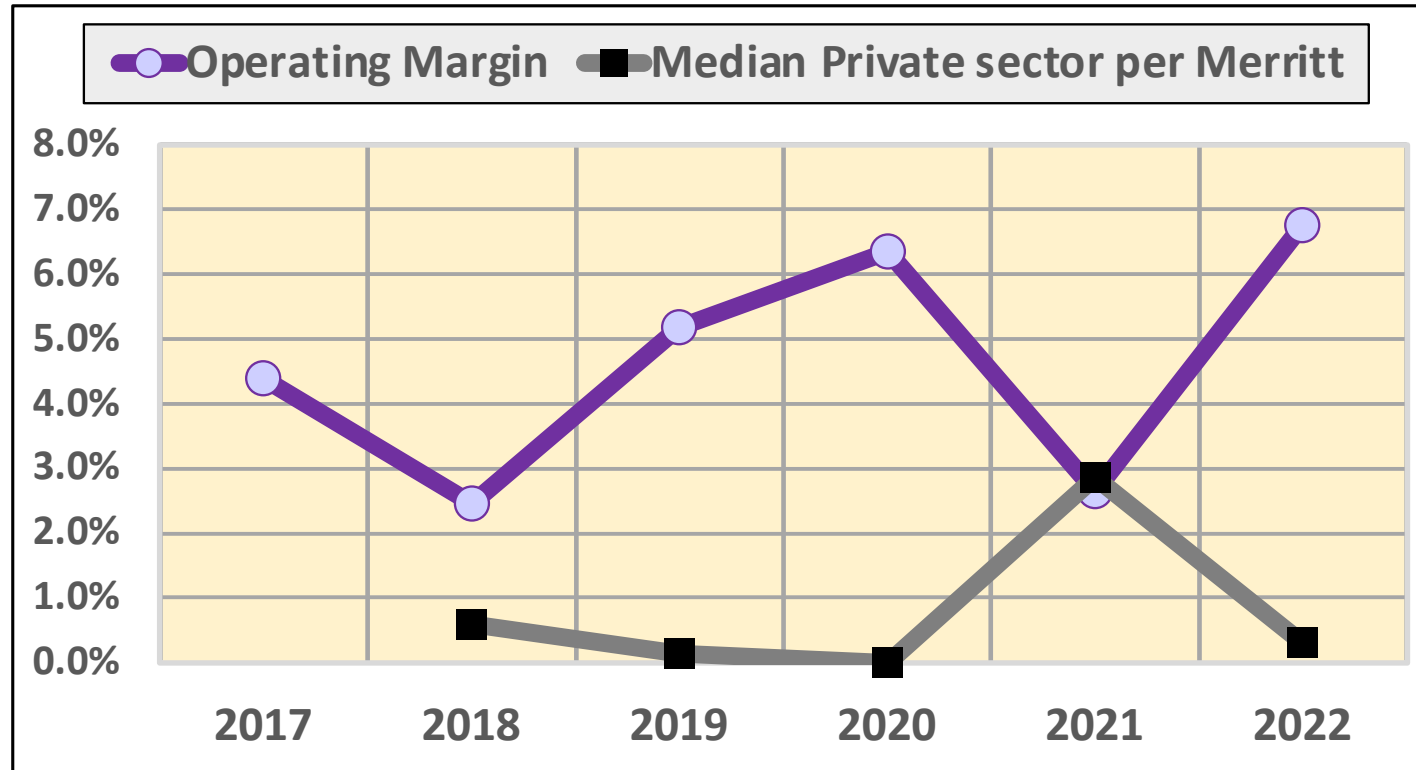
- **1. Operating Margin = Total Operating Revenues – Total Operating Expenses / Total Operating Revenues.** The numerator is also called the change in net assets, operating
- **2. Profit Margin = All revenues (operating and non-operating) – All Expenses (operating and non-operating) / All Revenues.** The numerator is also called the change in net assets for all items. This item is affected by paper gains and losses on the endowment. The other three elements do not include these gains and losses.
- **3. Cash flow margin, or operating cash flows over total revenues.** The basis for the numerator is the change in net assets, operating, and we add back non-cash depreciation expense.
- **4. EBIDA margin, or earnings before interest, depreciation and amortization over total revenues.** The basis for the numerator is the change in net assets, operating, and we add back both interest expense and non-cash depreciation expense

# Summary of different constructs

- **1. Operating margin**
  - $\text{Total operating revenues} - \text{total operating expenses} / (\text{total operating revenues})$
- **2. Profit Margin**
  - Start with Operating margin ( $\text{total operating revenues} - \text{total operating expenses}$ )
  - Plus or minus investment gains and losses
  - Plus or minus other non-operating
  - Equals the change in net assets, all items
  - The change in net assets over total revenues is the profit margin
- **3. Cash Flow Margin**
  - Start with ( $\text{total operating revenues} - \text{total operating expenses}$ )
  - Add back non-cash depreciation expense
  - Equals operating cash flows
  - Cash flow margin is operating cash flows over total revenues
- **4. EBIDA Margin**
  - Start with ( $\text{total operating revenues} - \text{total operating expenses}$ )
  - Add back non-cash depreciation expense
  - Add back non-operating interest expense
  - Equals EBIDA (earnings before interest, depreciation, amortization)
  - EBIDA margin = EBIDA over total revenues
- **Which metric is more important?**
  - The profit margin is least important, as we will see how it is driven almost entirely by paper gains and losses
  - We will see that the other three metrics move in concert with each other.

# 1. Operating Margin

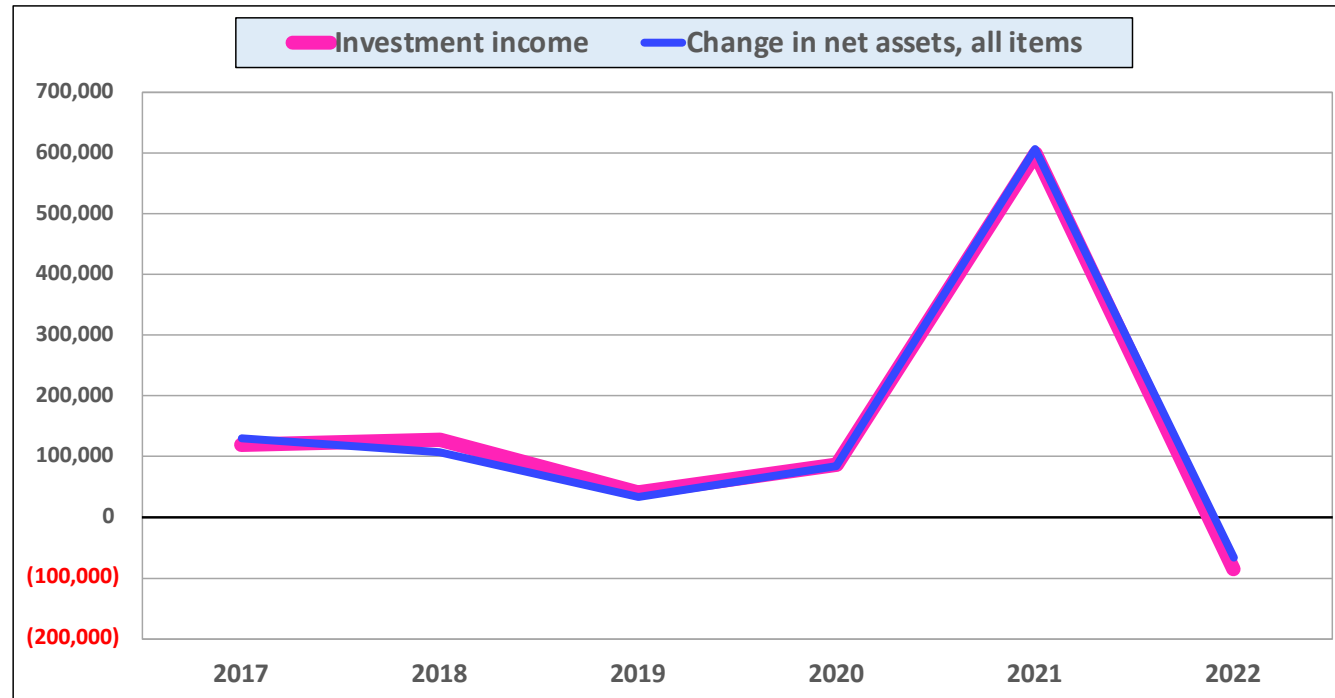
Source: Audited financial statements and Merritt Research



	2017	2018	2019	2020	2021	2022
Total Operating Revenues	221,233	224,998	231,536	232,270	226,497	268,958
Total Operating Expenses	211,512	219,470	219,575	217,544	220,478	250,824
Change in Net assets, operating	9,721	5,528	11,961	14,726	6,019	18,134
<b>Operating Margin</b>	<b>4.4%</b>	<b>2.46%</b>	<b>5.17%</b>	<b>6.34%</b>	<b>2.66%</b>	<b>6.74%</b>
<b>Median Private sector per Merritt</b>		<b>0.59%</b>	<b>0.13%</b>	<b>0.00%</b>	<b>2.86%</b>	<b>0.31%</b>

## 2. Profit Margin

Source: Audited financial statements and Merritt Research



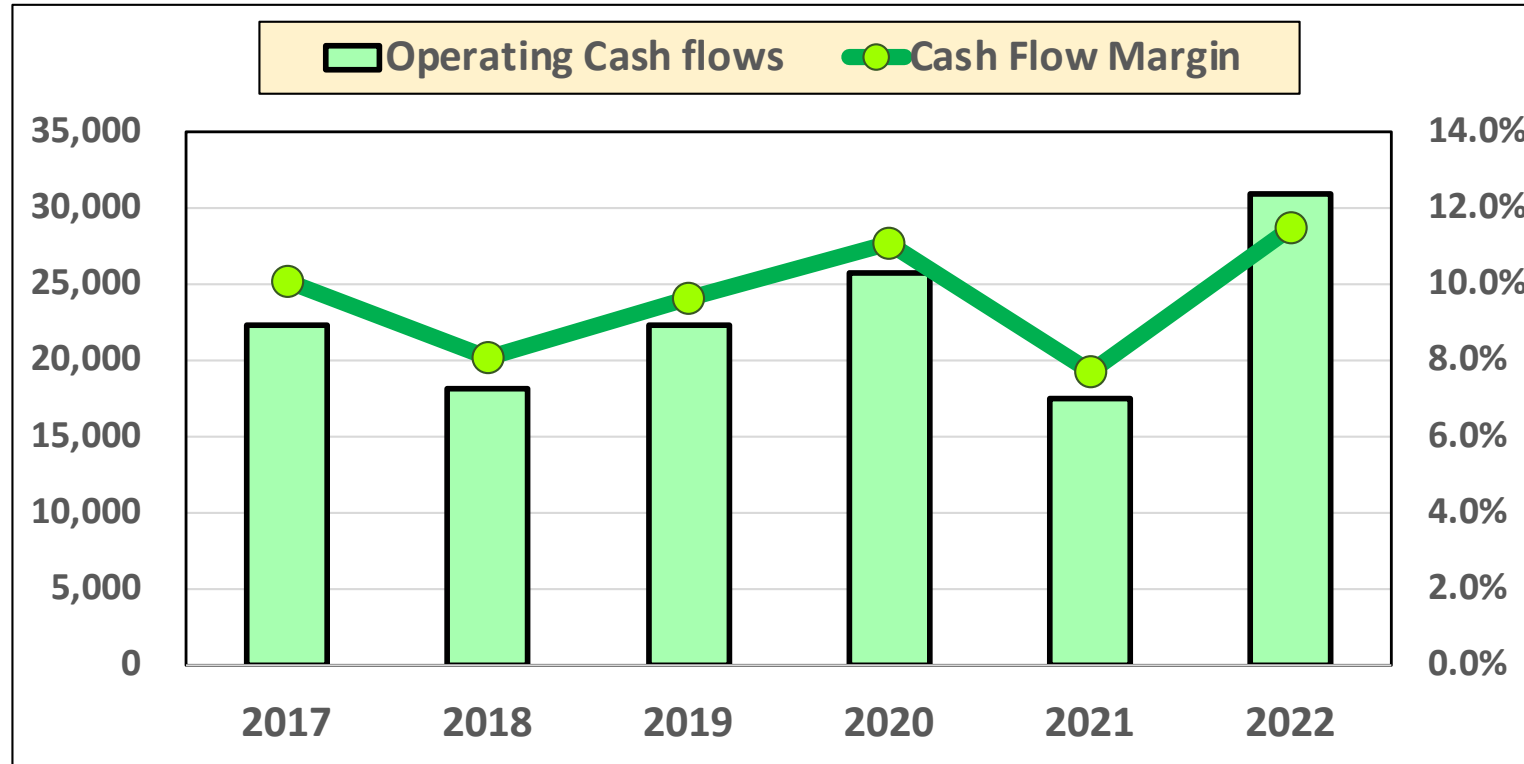
The pink line is investment income

The blue line is the change in net income, all items, and is the numerator in the profit margin – which leads to a profit margin of 267.53% in 2021 and -24.85% in 2022. This volatility is driven by paper gains and losses on investments and is why this metric is less useful in defining performance.

	2017	2018	2019	2020	2021	2022
Total Operating Revenues	221,233	224,998	231,536	232,270	226,497	268,958
Total Operating Expenses	211,512	219,470	219,575	217,544	220,478	250,824
Change in Net assets, operating	9,721	5,528	11,961	14,726	6,019	18,134
<b>Total Non-operating items</b>	<b>121,022</b>	<b>101,780</b>	<b>21,218</b>	<b>69,665</b>	<b>599,936</b>	<b>(84,966)</b>
<b>Change in Net Assets, all items</b>	<b>130,743</b>	<b>107,308</b>	<b>33,179</b>	<b>84,391</b>	<b>605,955</b>	<b>(66,832)</b>
<b>Profit margin</b>	<b>59.10%</b>	<b>47.69%</b>	<b>14.33%</b>	<b>36.33%</b>	<b>267.53%</b>	<b>-24.85%</b>
Median Private sector per Merritt		4.03%	0.99%	-0.78%	14.93%	-2.35%

# 3. Cash Flow Margin

Source: Audited financial statements



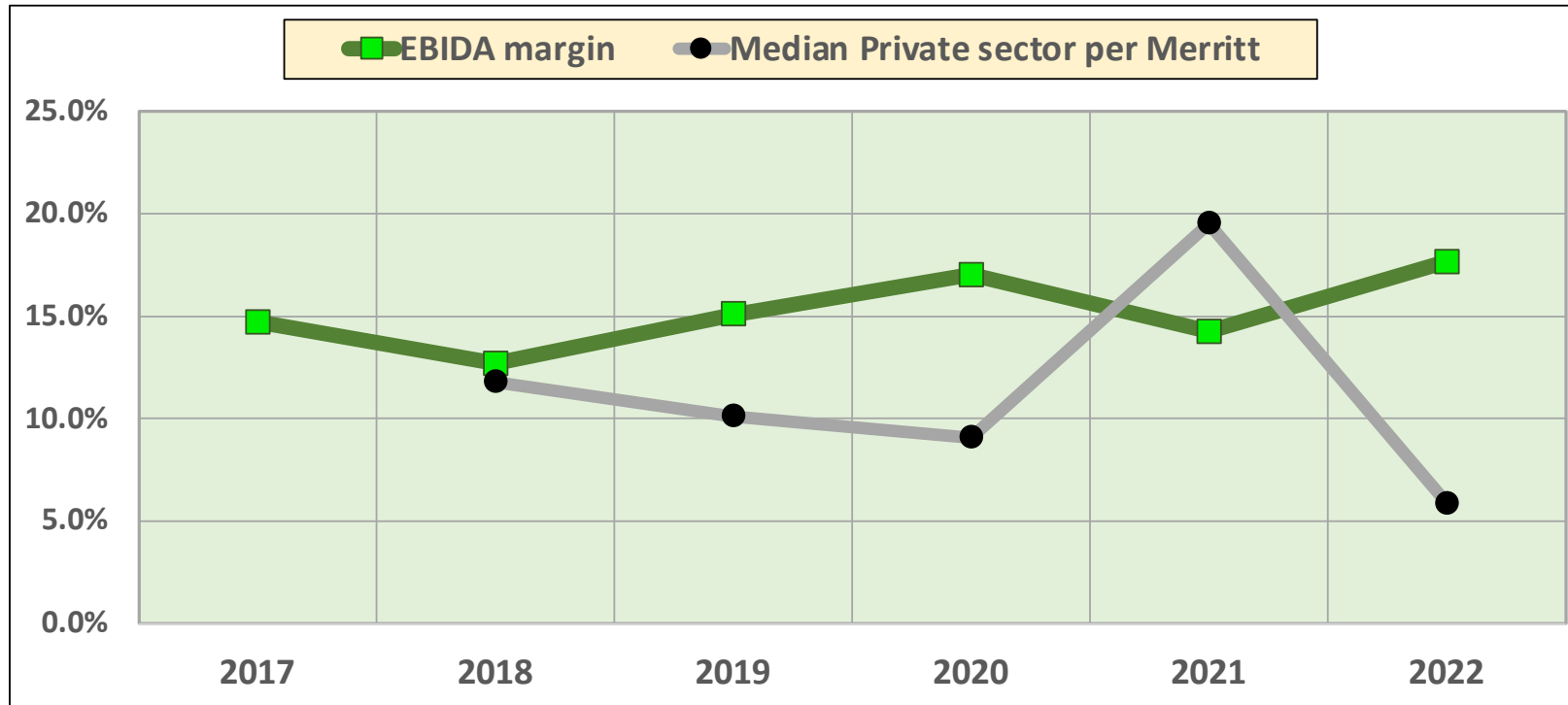
This demonstrates that Wesleyan is generating positive operating cash flows every year, and the amount of those cash flows (left-hand-scale) is solid and steady.

2022 was the best year of all the years reported, both in dollar terms and percent (11.5% or right-hand scale)

	2017	2018	2019	2020	2021	2022
Total Operating Revenues	221,233	224,998	231,536	232,270	226,497	268,958
Total Operating Expenses	211,512	219,470	219,575	217,544	220,478	250,824
Change in Net assets, operating	9,721	5,528	11,961	14,726	6,019	18,134
Non-cash depreciation expense	12,561	12,625	10,330	11,021	11,460	12,732
<b>Operating Cash flows</b>	<b>22,282</b>	<b>18,153</b>	<b>22,291</b>	<b>25,747</b>	<b>17,479</b>	<b>30,866</b>
<b>Cash Flow Margin</b>	<b>10.1%</b>	<b>8.1%</b>	<b>9.6%</b>	<b>11.1%</b>	<b>7.7%</b>	<b>11.5%</b>

# 4. EBIDA Margin (Earnings before interest, depreciation and amortization)

Sources: Audited financial statements and Merritt Research



In every year except for 2021, Wesleyan had a higher EBIDA margin than the private sector median.

The strength of this ratio is another key reason for the strong Aa3 bond rating

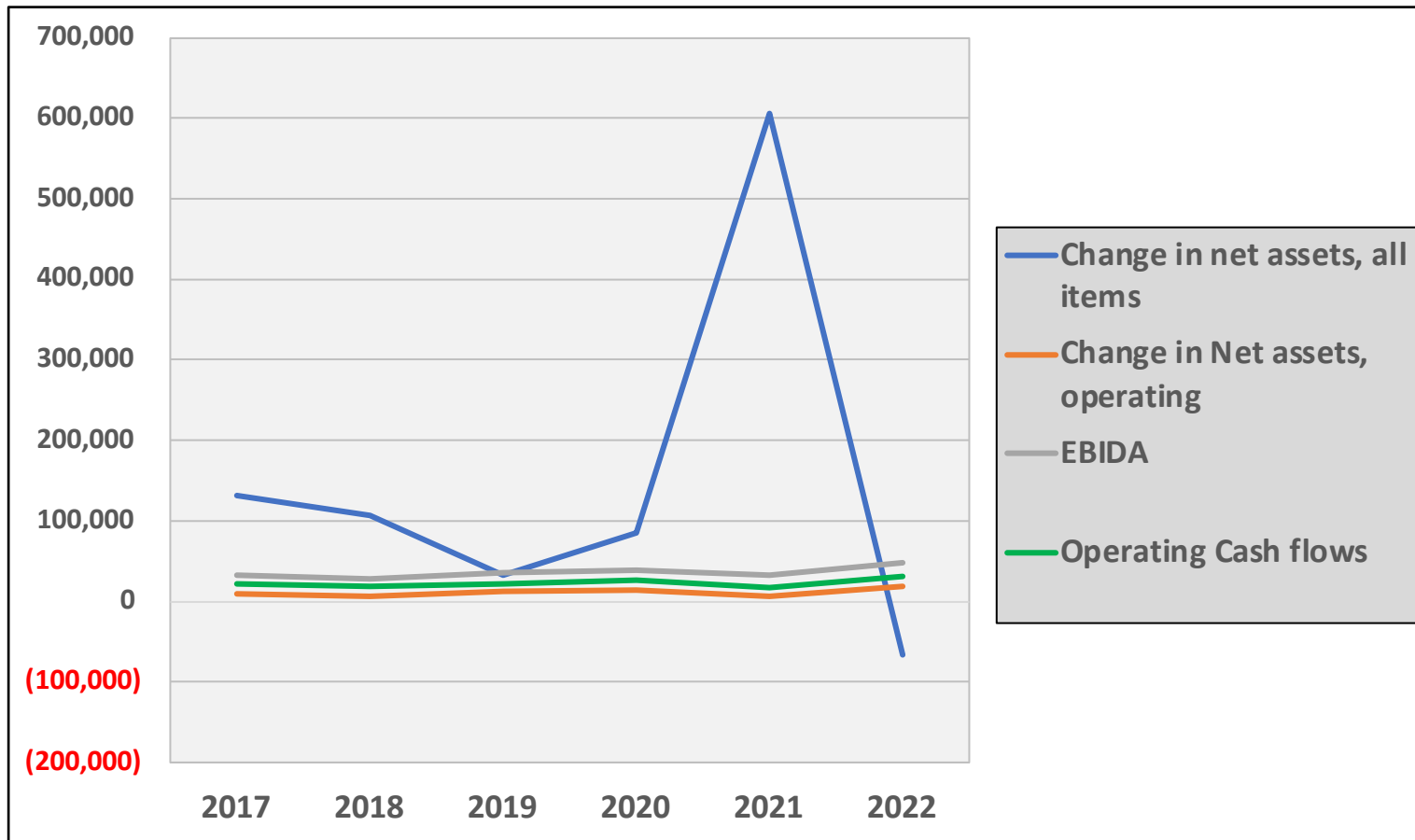
Both S&P and Moody's utilize this ratio in assessing operating performance.

	2017	2018	2019	2020	2021	2022
Total Operating Revenues	221,233	224,998	231,536	232,270	226,497	268,958
Total Operating Expenses	211,512	219,470	219,575	217,544	220,478	250,824
Change in Net assets, operating	9,721	5,528	11,961	14,726	6,019	18,134
Non-cash depreciation expense	12,561	12,625	10,330	11,021	11,460	12,732
Non-operating interest expense	10,261	10,350	12,647	13,742	14,783	16,601
<b>EBIDA</b>	<b>32,543</b>	<b>28,503</b>	<b>34,938</b>	<b>39,489</b>	<b>32,262</b>	<b>47,467</b>
Total Operating Revenues	221,233	224,998	231,536	232,270	226,497	268,958
<b>EBIDA margin</b>	<b>14.7%</b>	<b>12.67%</b>	<b>15.09%</b>	<b>17.00%</b>	<b>14.24%</b>	<b>17.65%</b>
<b>Median Private sector per Merritt</b>		<b>11.79%</b>	<b>10.11%</b>	<b>9.07%</b>	<b>19.52%</b>	<b>5.87%</b>



# All Four Constructs in One Graph (in Thousands of \$\$)

Source: Audited financial statements

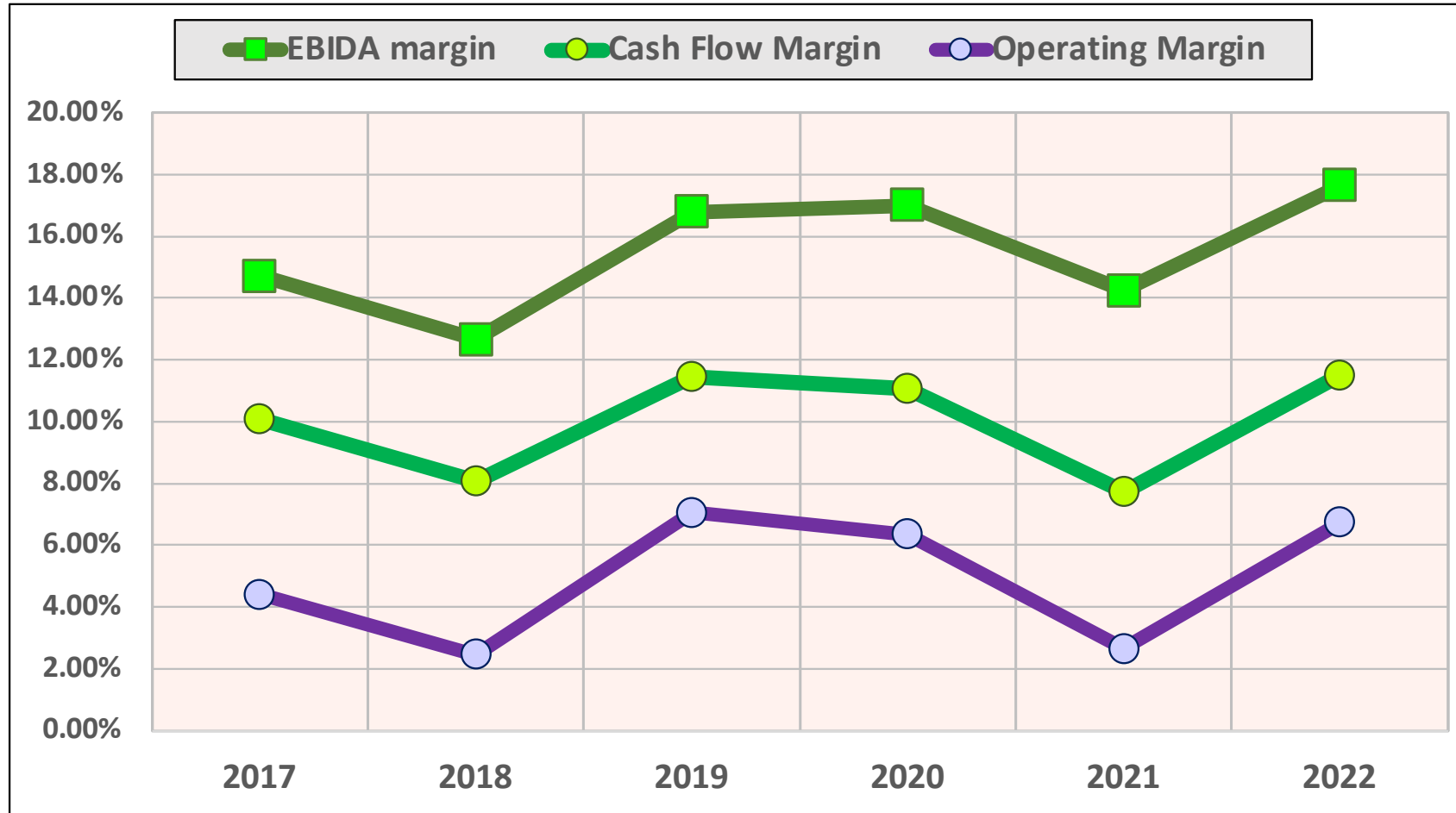


The change in net assets, all items, was huge in 2021 due to the enormous market return, most of it in the form of paper gains.

This demonstrates why the profit margin metric (based on change in net assets, all items) is the least revealing of financial performance

# Three Metrics: Operating Margin, Cash Flow Margin, EBIDA Margin

Source: Audited financial statements



All three of these metrics take out paper gains and losses

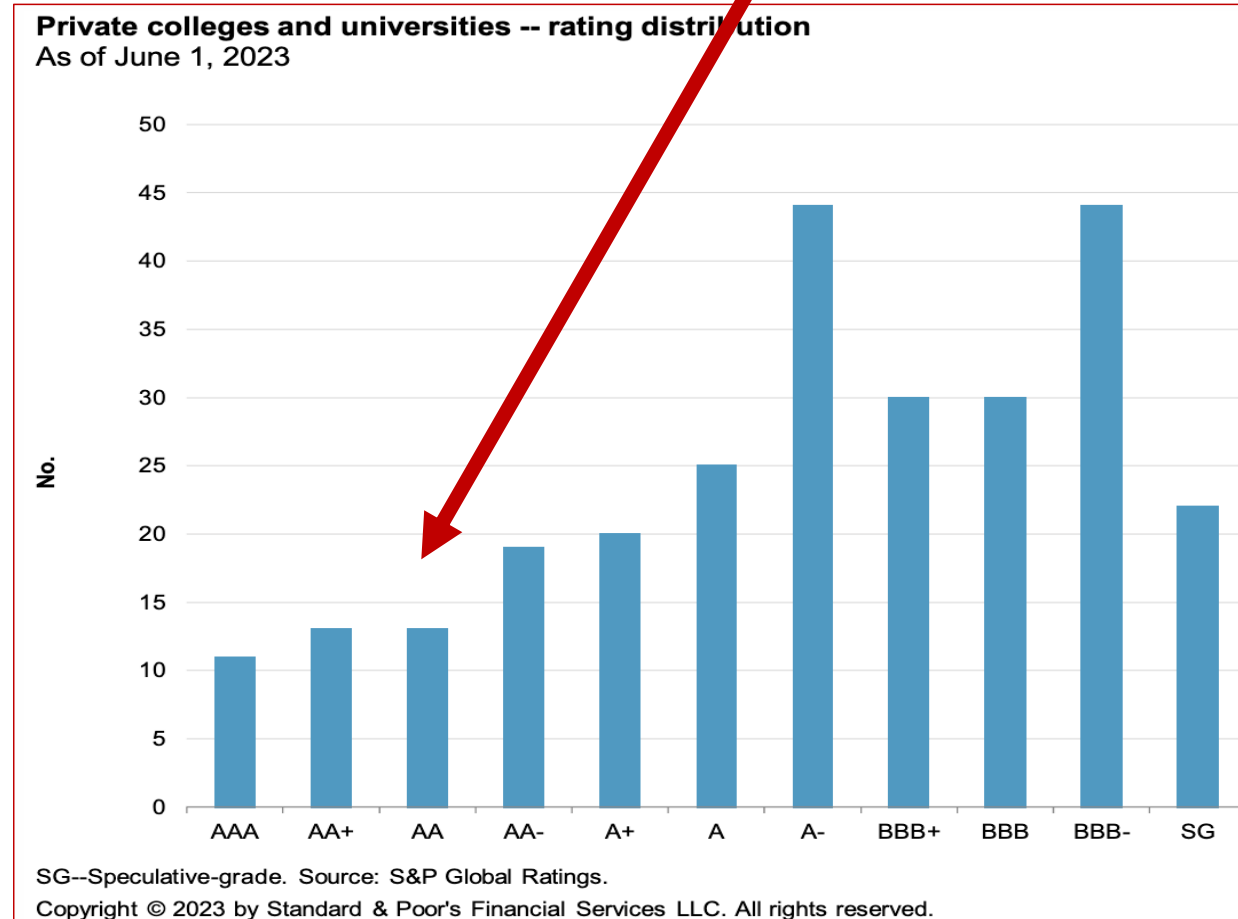
This shows how solid Wesleyan has performed over the last several years

Operating margin + depreciation gets us cash flow; cash flow + interest gets us EBIDA margin

# **Bond Ratings of Wesleyan per Standard and Poor's and Moody's**

# S&P Rating Distribution for Higher Education 2023

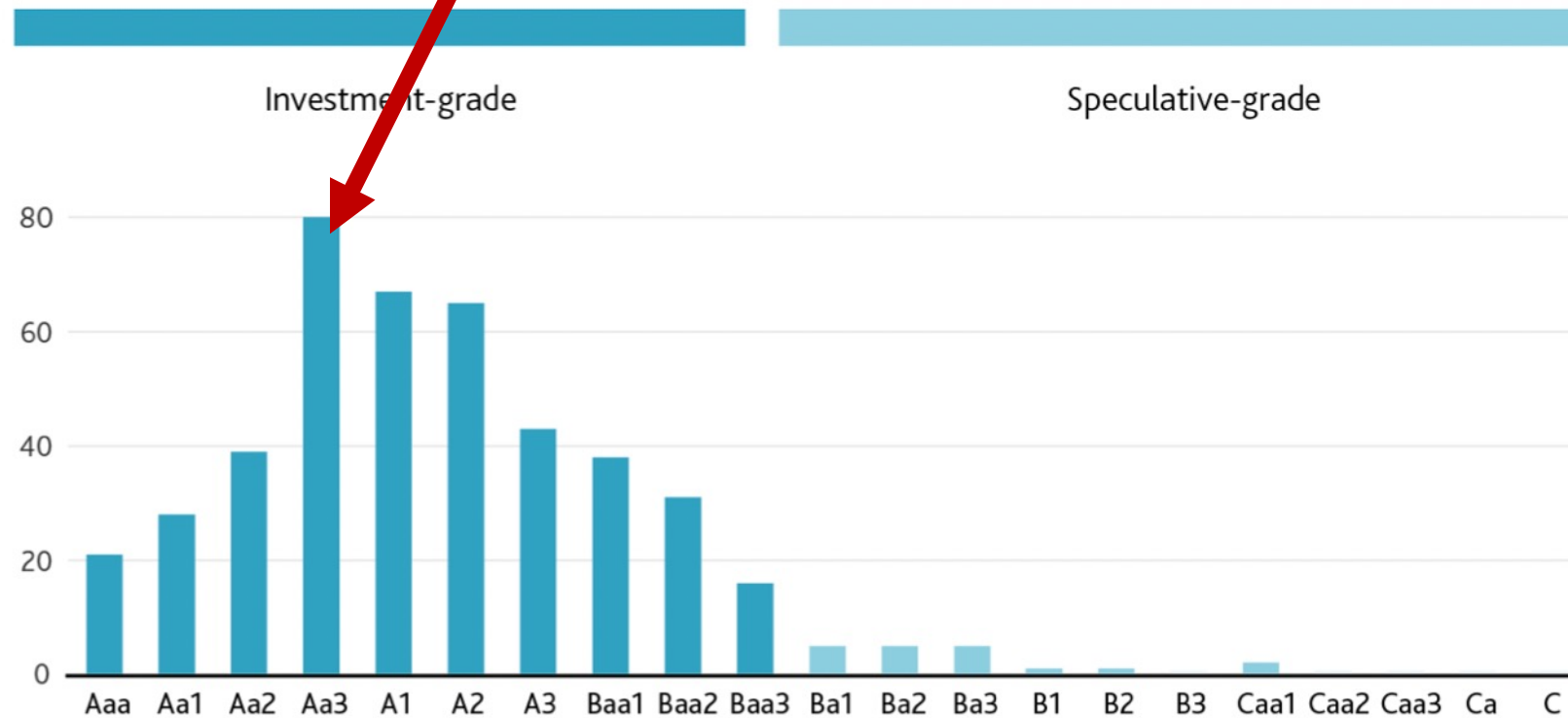
## Wesleyan is AA for S&P



# Moody's Higher Ed Ratings

## Wesleyan is Aa3

RATING DISTRIBUTION by number of issuers



Includes four-year public universities and private universities

Source: Moody's Investors Service

## More from the most recent Moody's bond rating

### Aa3 rating has not changed since 2016

- Excellent strategic positioning as a selective private liberal arts institution with excellent student demand and broad geographic reach within the US and internationally.
- Strong fundraising for the endowment and sizable operating cash flow margins have built reserves that amply buffer operations.
- Future revenue stability and asset growth prospects provided by the university's student demographic and mission aligned donors is a social consideration supporting credit
- **The stable outlook reflects Moody's expectations that the university will maintain strong and growing reserves and healthy liquidity relative to its high leverage and ongoing capital needs as well as continuing to generate strong operating cash flow margins.**
- The outlook also incorporates limited additional borrowing.

**What about those budget deficits predicted by the administration?**  
**Note the word budgets starts with B and ends with S**

- **The administration predicts budget deficits going out to 2027**
- **These are just predictions and points out the problems with budgets:**
  - **The admin can include what revenues it desires and exclude certain revenues**
  - **The admin can count capital spending and debt principal payments as ordinary expenses**
  - **The admin gets very pessimistic in overstating future expenses and understating future revenues**
- **Note the bond rating has not changed in years; the bond rating agencies have the admin's gloom and doom budgets, but the ratings have not changed – because the ratings are based on what has happened and is very likely to happen**
- **The admin's own 2024 predictions for tuition revenue are very solid**

## **Revenue Details:**

- **Revenue Distribution**
- **Enrollment and Tuition Revenue**
- **Tuition and fee prices**
- **Discount rates**
- **Covid relief funds**



# Operating Revenue Distribution, 2017 to 2022

Source: Audited financial statements

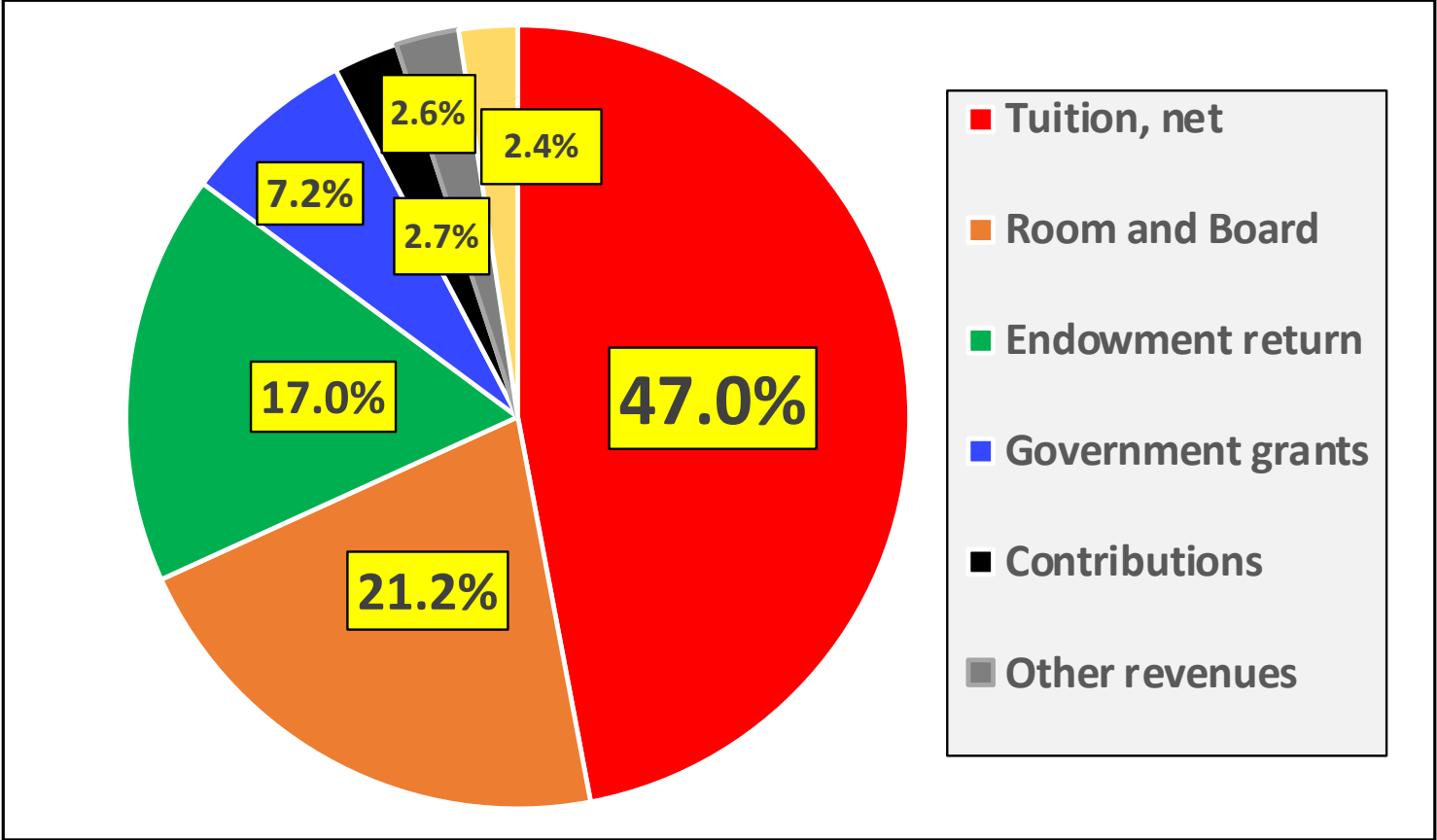
Amounts in thousands	2017	2018	2019	2020	2021	2022
Tuition, net	103,564	103,067	109,216	113,949	107,008	126,465
Room and Board	43,961	45,091	47,570	39,193	41,641	56,945
<b>Total Net Student Charges</b>	<b>147,525</b>	<b>148,158</b>	<b>156,786</b>	<b>153,142</b>	<b>148,649</b>	<b>183,410</b>
Endowment return	36,558	39,044	41,281	43,553	47,180	45,625
Government grants	9,569	11,664	7,307	8,211	11,061	19,240
Contributions	11,558	10,779	9,380	10,049	8,987	7,181
Other revenues	11,811	12,812	9,729	8,180	6,199	7,001
Other net assets used	4,212	2,541	7,053	9,135	4,421	6,501
<b>Total Operating Revenues</b>	<b>221,233</b>	<b>224,998</b>	<b>231,536</b>	<b>232,270</b>	<b>226,497</b>	<b>268,958</b>
Percentage distribution	2017	2018	2019	2020	2021	2022
Tuition, net	46.8%	45.8%	47.2%	49.1%	47.2%	47.0%
Room and Board	19.9%	20.0%	20.5%	16.9%	18.4%	21.2%
<b>Total Net Student Charges</b>	<b>66.7%</b>	<b>65.8%</b>	<b>67.7%</b>	<b>65.9%</b>	<b>65.6%</b>	<b>68.2%</b>
Endowment return	16.5%	17.4%	17.8%	18.8%	20.8%	17.0%
Government grants	4.3%	5.2%	3.2%	3.5%	4.9%	7.2%
Contributions	5.2%	4.8%	4.1%	4.3%	4.0%	2.7%
Other revenues	5.3%	5.7%	4.2%	3.5%	2.7%	2.6%
Other net assets used	1.9%	1.1%	3.0%	3.9%	2.0%	2.4%
<b>Total Operating Revenues</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

The heavy reliance on student charges is clear from the bottom panel, with 47% of revenues coming from tuition in 2022, and another 21.2% from room and board.

However, it is a strength that 17% or 1/6<sup>th</sup> of revenues are supported by the endowment

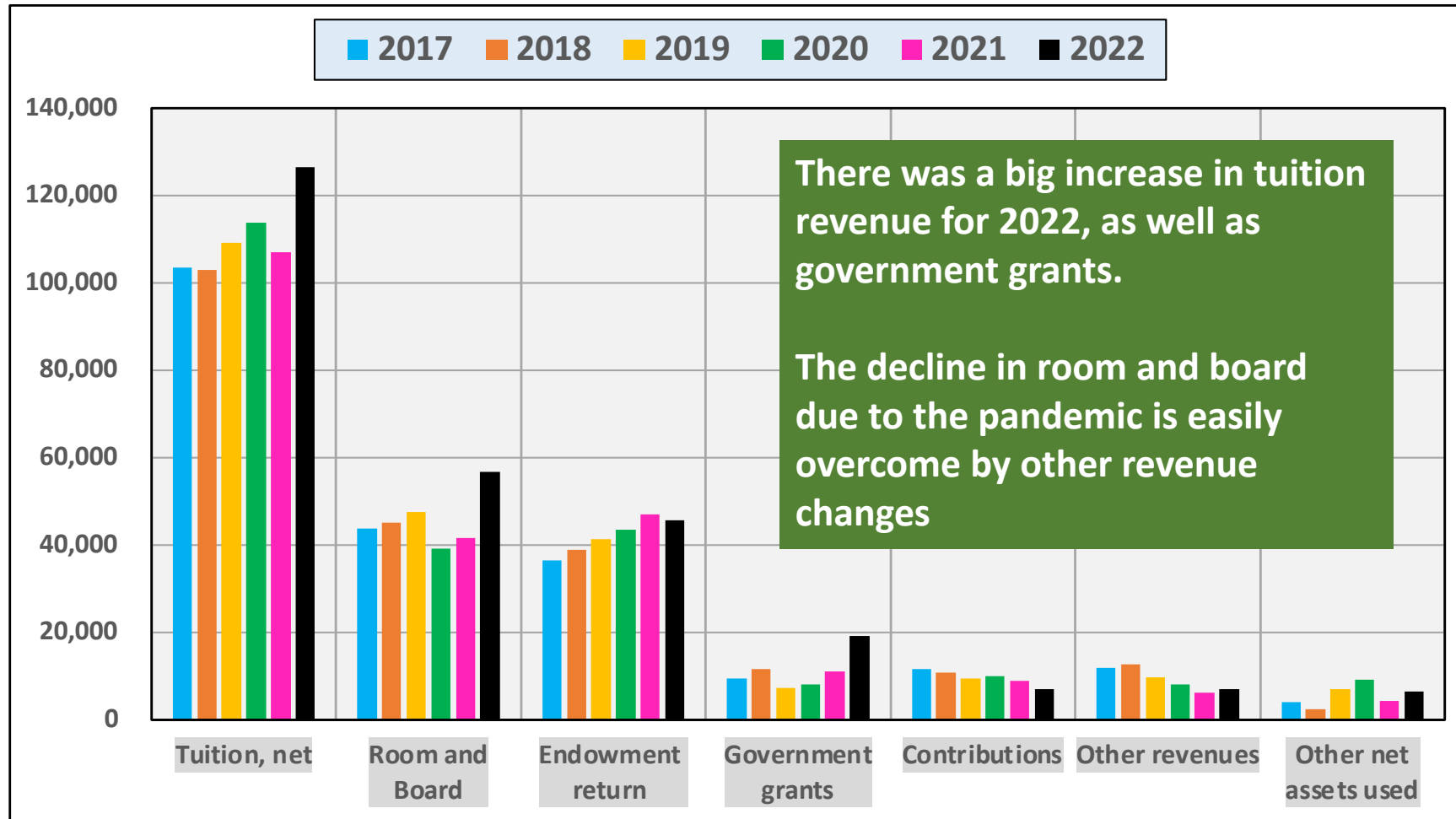
# 2022 Revenue Distribution Graphically

Source: Audited financial statements



# Operating Revenue Distribution Graphically, 2017 to 2022

Source: Audited financial statements



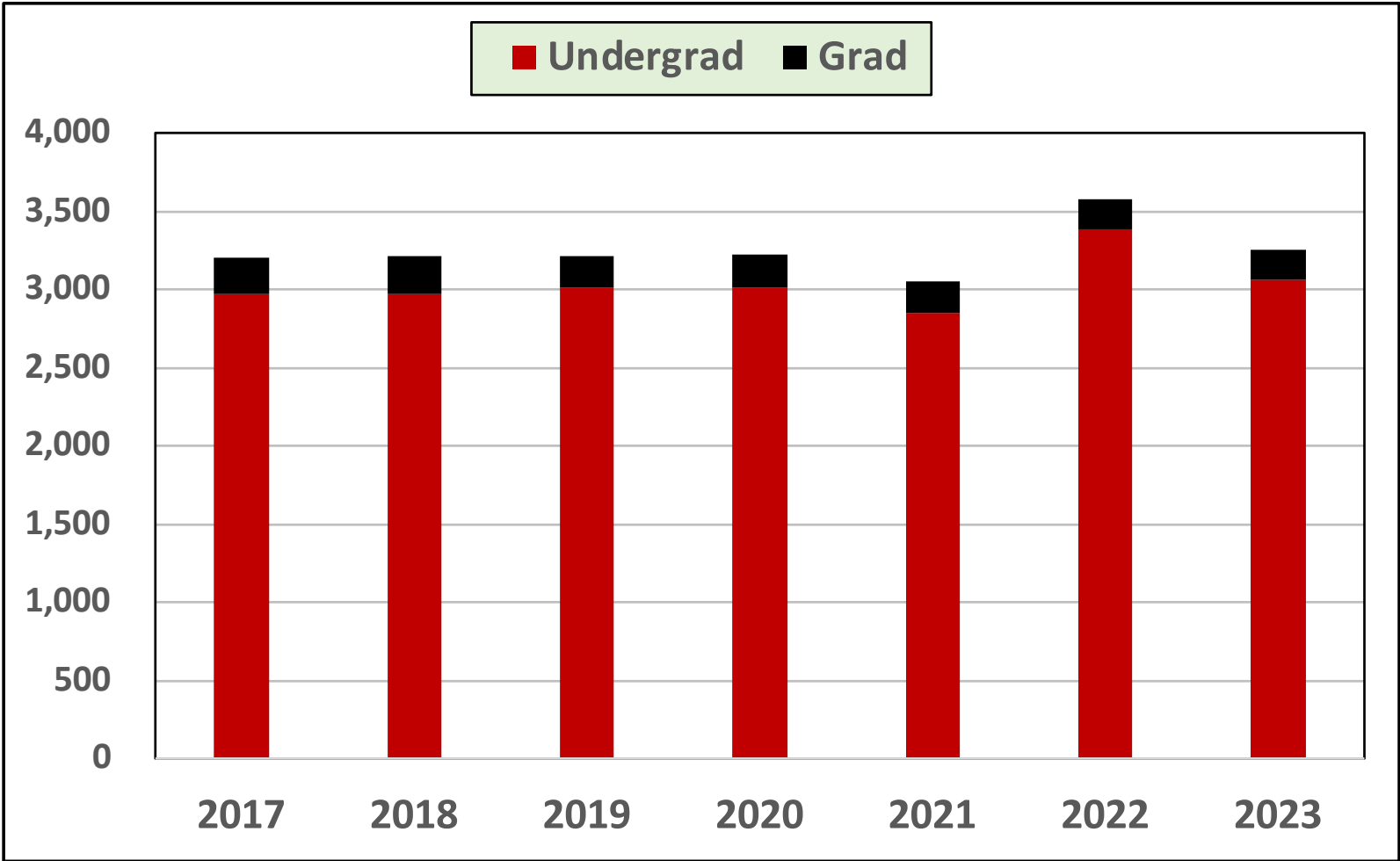
# Enrollment

Source: Wesleyan Office of Institutional Research: <https://www.wesleyan.edu/ir/enrollment.html>

	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022
	2017	2018	2019	2020	2021	2022	2023
Undergrad	2,971	2,976	3,009	<b>3,018</b>	<b>2,852</b>	<b>3,385</b>	<b>3,069</b>
Grad	235	237	208	212	201	196	184
<b>Total</b>	<b>3,206</b>	<b>3,213</b>	<b>3,217</b>	<b>3,230</b>	<b>3,053</b>	<b>3,581</b>	<b>3,253</b>
<b>% Undergrad</b>	<b>92.7%</b>	<b>92.6%</b>	<b>93.5%</b>	<b>93.4%</b>	<b>93.4%</b>	<b>94.5%</b>	<b>94.3%</b>

# Total Headcount Enrollment Graphically

Source: Wesleyan Office of Institutional Research



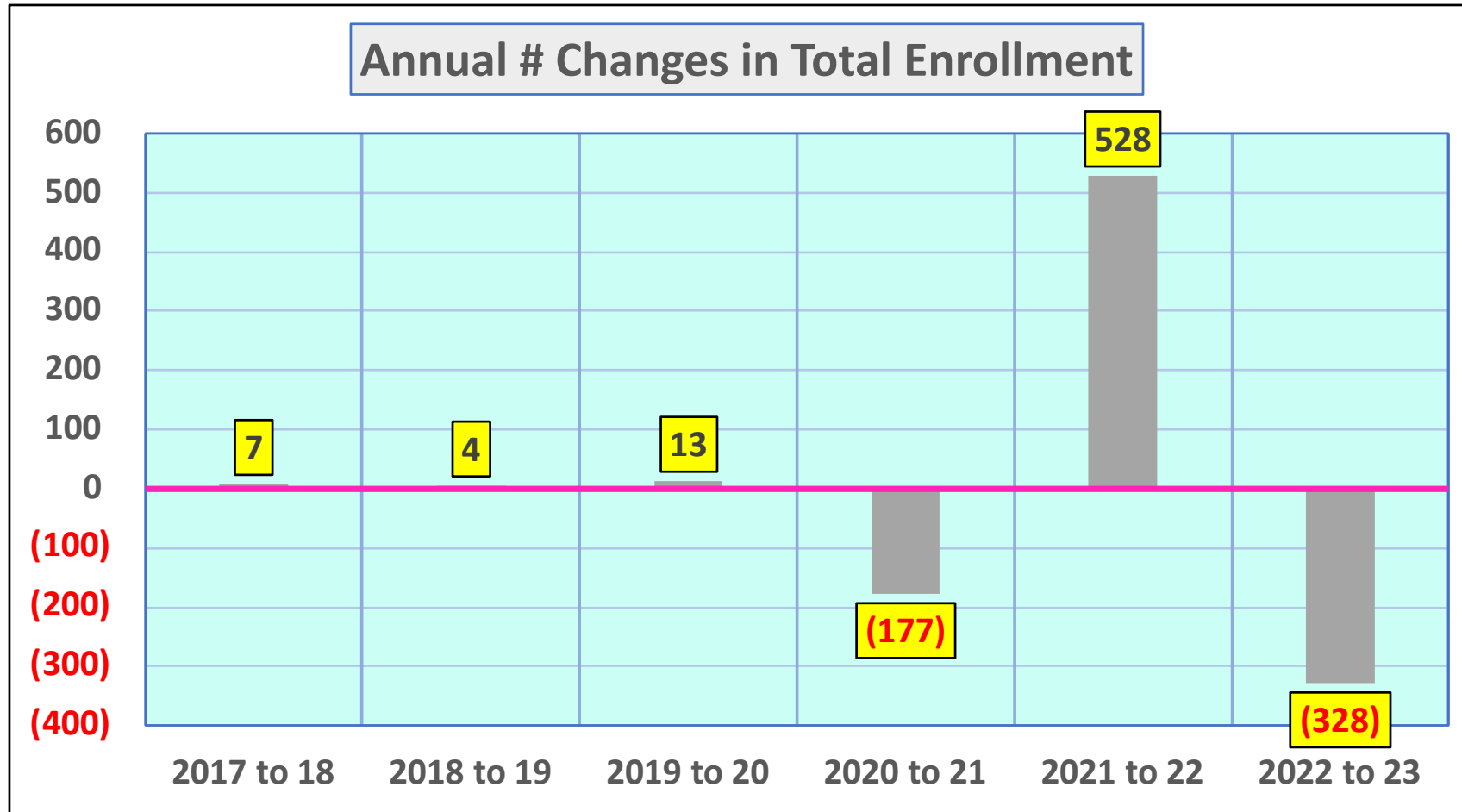
# Annual Number and Percentage Changes in Headcount Enrollment

Source: Wesleyan Office of Institutional Research

Annual # Change	2017 to 18	2018 to 19	2019 to 20	2020 to 21	2021 to 22	2022 to 23
Undergrad	5	33	9	(166)	533	(316)
Grad	2	(29)	4	(11)	(5)	(12)
<b>Total</b>	<b>7</b>	<b>4</b>	<b>13</b>	<b>(177)</b>	<b>528</b>	<b>(328)</b>
Annual % Change	2017 to 18	2018 to 19	2019 to 20	2020 to 21	2021 to 22	2022 to 23
Undergrad	0.2%	1.1%	0.3%	-5.5%	18.7%	-9.3%
Grad	0.9%	-12.2%	1.9%	-5.2%	-2.5%	-6.1%
<b>Total</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.4%</b>	<b>-5.5%</b>	<b>17.3%</b>	<b>-9.2%</b>

# Annual Number Changes In Fall Enrollment Graphically

Source: Wesleyan Office of Institutional Research



## Long-Term Changes in Fall Enrollment Two Different time period breakdowns

Source: Wesleyan Office of Institutional Research

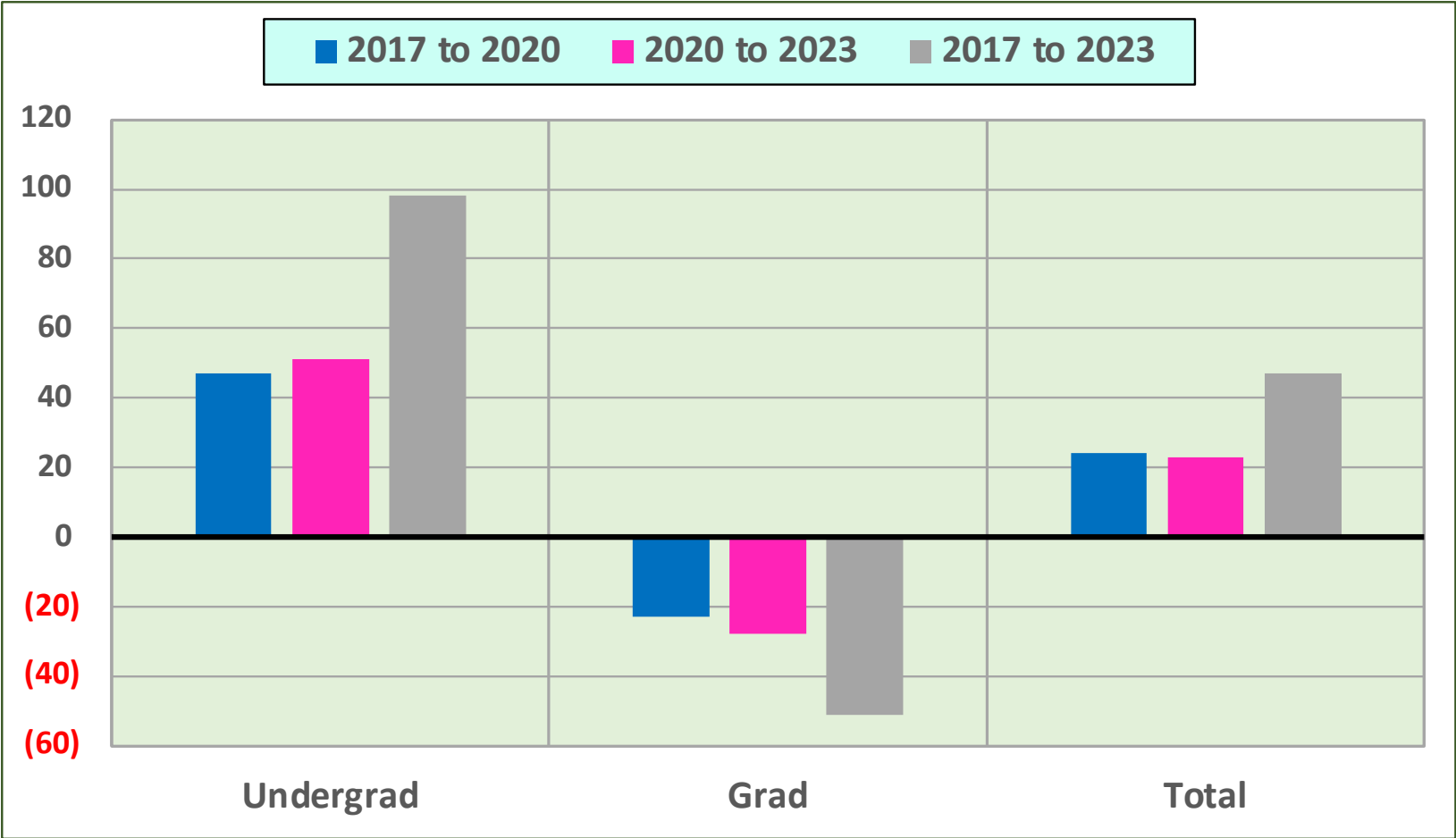
Long-term # Change	2017 to 2020	2020 to 2023	2017 to 2023
Undergrad	47	51	98
Grad	(23)	(28)	(51)
<b>Total</b>	<b>24</b>	<b>23</b>	<b>47</b>
Long-term # Change	2017 to 2021	2021 to 2023	2017 to 2023
Undergrad	(119)	217	98
Grad	(34)	(17)	(51)
<b>Total</b>	<b>(153)</b>	<b>200</b>	<b>47</b>

Long-term % Change	2017 to 2020	2020 to 2023	2017 to 2023
Undergrad	1.6%	1.7%	3.3%
Grad	-9.8%	-13.2%	-21.7%
<b>Total</b>	<b>0.7%</b>	<b>0.7%</b>	<b>1.5%</b>
Long-term % Change	2017 to 2021	2021 to 2023	2017 to 2023
Undergrad	-4.0%	7.2%	3.3%
Grad	-14.5%	-8.0%	-21.7%
<b>Total</b>	<b>-4.8%</b>	<b>6.2%</b>	<b>1.5%</b>



# Long-term Changes in Enrollment Graphically

Source: Wesleyan Office of Institutional Research



# Enrollment by Degree

Source: Wesleyan Office of Institutional Research

	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	
<b>Undergrad</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Change 2017 to 23</b>
BA	2,913	2,887	2,922	2,933	2,836	3,233	3,000	87
BLS	0	0	0	0	2	17	6	6
Non-degree	58	89	87	85	14	135	63	5
<b>Total Undergrad</b>	<b>2,971</b>	<b>2,976</b>	<b>3,009</b>	<b>3,018</b>	<b>2,852</b>	<b>3,385</b>	<b>3,069</b>	<b>98</b>
<b>Grad</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Change 2017 to 23</b>
BA/MA	22	18	24	24	29	30	28	6
MA	25	26	25	24	21	21	23	(2)
MALS	41	42	38	43	39	32	21	(20)
MPHIL	4	6	7	4	4	5	2	(2)
PHD	95	97	71	76	80	78	70	(25)
GLNON	36	37	37	34	21	21	32	(4)
GRNON	12	11	6	7	7	9	8	(4)
<b>Grad Total</b>	<b>235</b>	<b>237</b>	<b>208</b>	<b>212</b>	<b>201</b>	<b>196</b>	<b>184</b>	<b>(51)</b>

This data supports that there have been increases in undergrad enrollment and declines in grad enrollment over the last several years

# Applications and Admits

Source: Wesleyan Bond Reports

	2018	2019	2020	2021	2022	2023	2024
Applications	12,453	12,788	13,358	12,752	13,145	14,521	14,500
Admitted	2,014	2,219	<b>2,187</b>	<b>2,640</b>	<b>2,540</b>	<b>2,096</b>	<b>2,393</b>
% of Applicants admitted	16.2%	17.4%	16.4%	20.7%	19.3%	14.4%	16.5%
Students enrolled	775	810	781	<b>782</b>	<b>919</b>	<b>753</b>	<b>785</b>
% of admitted enrolled	38.5%	36.5%	35.7%	29.6%	36.2%	35.9%	32.8%

- There was a HUGE increase in the number of new students enrolled in 2022; the increase was 137 over 2021, or an 18% increase.
- There was a large increase in those admitted from 2020 to 2021, but the number enrolled did not change. The large admit class in 2022 yielded a large class, and 2023 and 2024 have been close to historical norms.

# Tuition and Fee Price

Sources: Bond reports, <https://www.wesleyan.edu/admission/afford-aid/tuition-fees.html>

	2017	2018	2019	2020	2021	2022	2023	2024
Tuition	\$50,312	\$52,174	\$54,314	\$56,704	\$59,086	\$61,449	\$63,722	\$66,716
Student activity fee	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Tuition and fees	\$50,612	\$52,474	\$54,614	\$57,004	\$59,386	\$61,749	\$64,022	\$67,016
Room and board	\$13,950	\$14,466	\$15,060	\$15,724	\$16,384	\$17,531	\$18,180	\$19,034
Total sticker price	\$64,562	\$66,940	\$69,674	\$72,728	\$75,770	\$79,280	\$82,202	\$86,050

The new student \$300 matriculation fee is not included  
We will later examine the discount rate and financial aid

# Annual Percentage Changes in Tuition and Fees

Sources: Bond reports, Common Data Sets

Dollar changes	2017 to 18	2018 to 19	2019 to 20	2020 to 21	2021 to 22	2022 to 23	2023 to 24
Tuition	\$1,862	\$2,140	\$2,390	\$2,382	\$2,363	\$2,273	\$2,994
Student activity fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tuition and fees	\$1,862	\$2,140	\$2,390	\$2,382	\$2,363	\$2,273	\$2,994
Room and board	\$516	\$594	\$664	\$660	\$1,147	\$649	\$854
Total sticker price	\$2,378	\$2,734	\$3,054	\$3,042	\$3,510	\$2,922	\$3,848
% Changes	2017 to 18	2018 to 19	2019 to 20	2020 to 21	2021 to 22	2022 to 23	2023 to 24
<b>Tuition</b>	<b>3.70%</b>	<b>4.10%</b>	<b>4.40%</b>	<b>4.20%</b>	<b>4.00%</b>	<b>3.70%</b>	<b>4.70%</b>
Student activity fee	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tuition and fees	3.68%	4.08%	4.38%	4.18%	3.98%	3.68%	4.68%
Room and board	3.70%	4.11%	4.41%	4.20%	<b>7.00%</b>	3.70%	4.70%
Total sticker price	3.68%	4.08%	4.38%	4.18%	4.63%	3.69%	4.68%

# Discount Rates

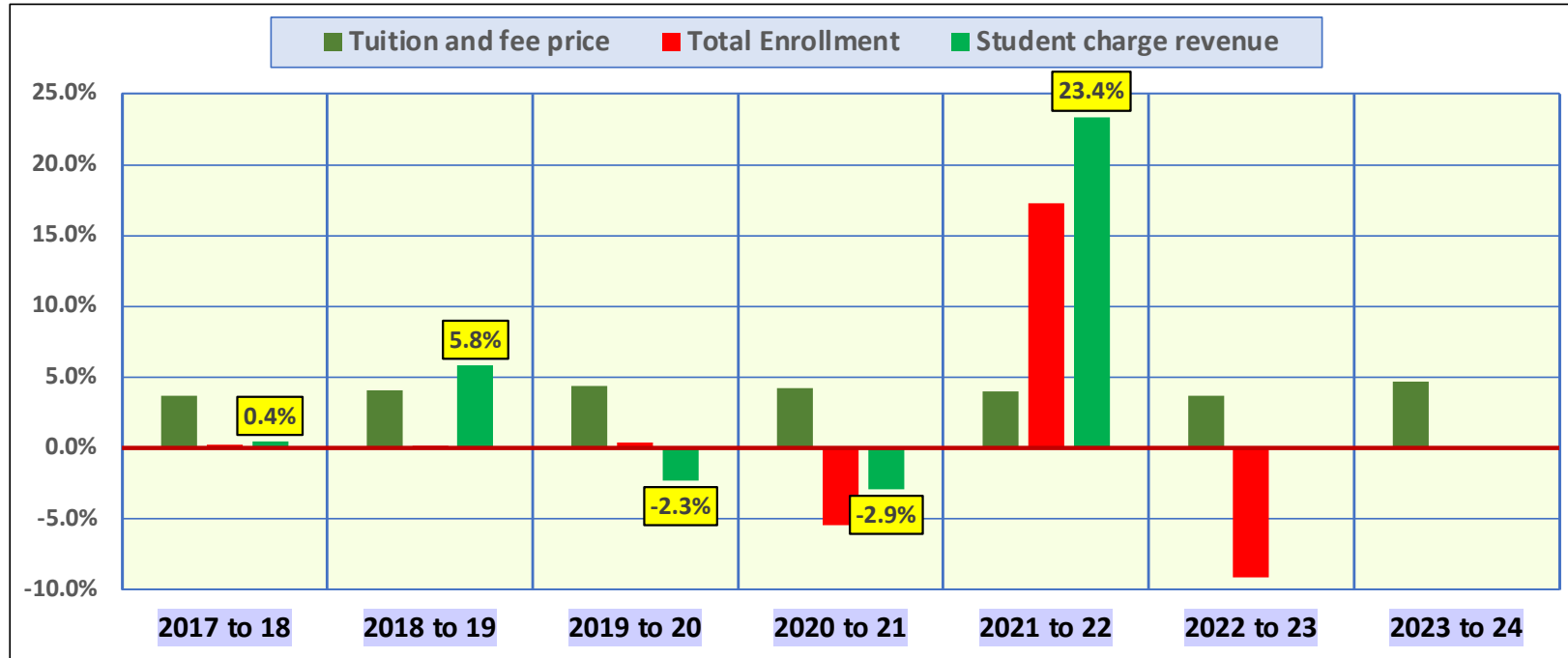
Source: Audited financial statements

	2017	2018	2019	2020	2021	2022
Tuition and fees, gross	159,842	164,937	176,782	183,915	177,040	205,987
Room and board	43,961	45,091	47,570	39,193	41,641	56,945
Gross student charges	203,803	210,028	224,352	223,108	218,681	262,932
Scholarships	(56,278)	(61,870)	(67,566)	(69,966)	(70,032)	(79,522)
<b>Net student charges</b>	<b>147,525</b>	<b>148,158</b>	<b>156,786</b>	<b>153,142</b>	<b>148,649</b>	<b>183,410</b>
<b>Tuition discount rate</b>	<b>35.2%</b>	<b>37.5%</b>	<b>38.2%</b>	<b>38.0%</b>	<b>39.6%</b>	<b>38.6%</b>

- 2022 Discount rate for tuition of 38.6% = 79,522 (scholarships) / 205,987 (tuition and fees, gross)
- The administration may claim that the discount rate is higher than reported here, as they may cite the rate for first-year undergraduates. The real rate is the discount applied to ALL students and comes from the audited financial statements.

# Annual Changes in Total Enrollment, Tuition price and Tuition Revenue

Source: 4% increase for 2024 per May 2023 finance meeting



What matters is what Wesleyan takes home, which is student charge revenue.

The outlook is solid for 2024 (current year) based on the admin's projections.

	2017 to 18	2018 to 19	2019 to 20	2020 to 21	2021 to 22	2022 to 23	2023 to 24
Tuition and fee price	3.7%	4.1%	4.4%	4.2%	4.0%	3.7%	4.7%
Total Enrollment	0.2%	0.1%	0.4%	-5.5%	17.3%	-9.2%	??
Student charge revenue	0.4%	5.8%	-2.3%	-2.9%	23.4%	??	4% up per admin

# HEERF (Higher Education Emergency Relief Funds)

Source: Notes to Audited financial statements

Per Notes to Audited statements	Discretionary to administration	Distributed to students	Total to Wesleyan
2020	\$1,248		\$1,248
2021	\$2,627	\$1,633	\$4,260
2022	\$8,425	\$2,936	\$11,361
<b>Total</b>	<b>\$12,300</b>	<b>\$4,569</b>	<b>\$16,869</b>

3 Acts:
HEERF I, Cares Act of 2020
HEERF II, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) 2021
HEERF III, American Rescue Plan (ARP) of 2022



## **Expense Analysis: 4 different breakdowns**

- 1. Natural distribution per audited financial statements**
- 2. Functional distribution per audit**
- 3. Salary and benefits only per audit**
- 4. Salary-only distribution per IPEDS  
(Integrated Postsecondary Education Data System of the  
U.S. Dept. of Education)**

# 1. Expense Distribution – Natural Classification

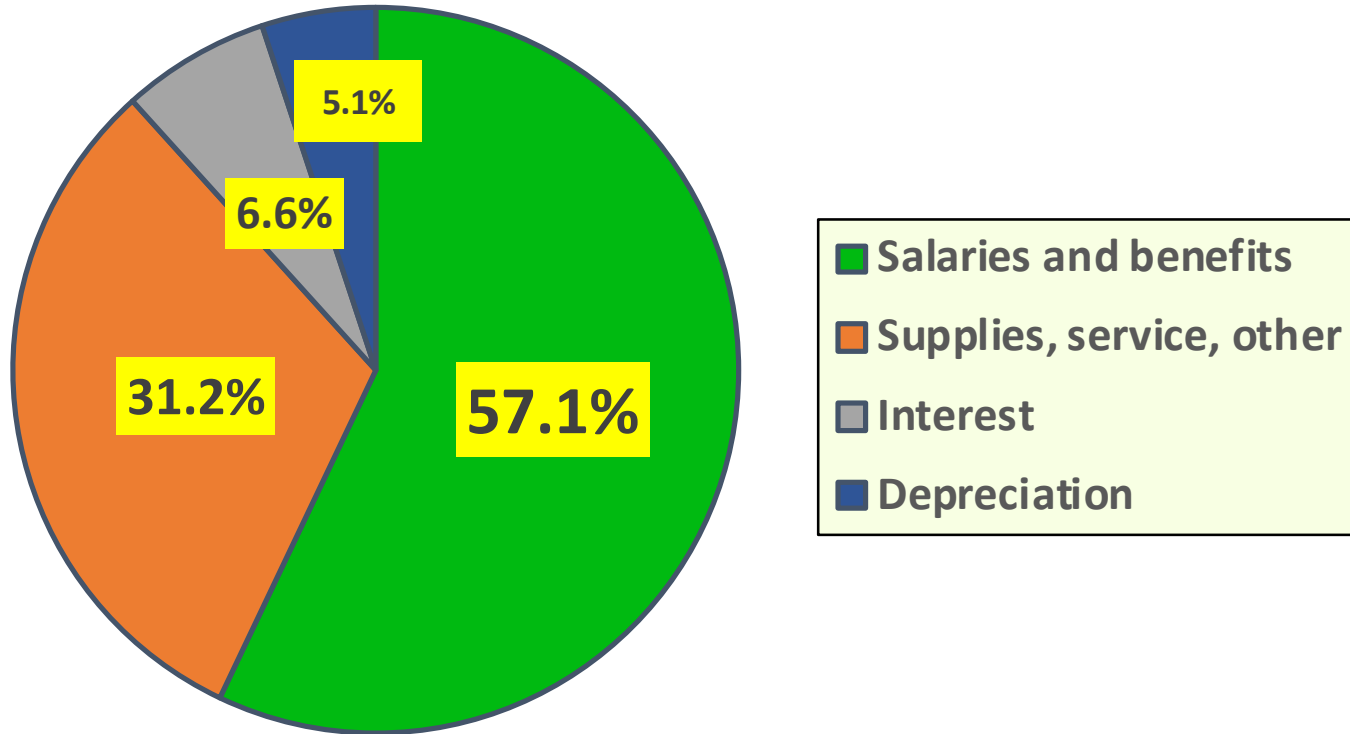
Source: Audited financial statements

<b>Amounts in thousands</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Salaries and benefits	??	127,901	128,198	130,949	128,678	143,150
Supplies, service, other	??	68,674	68,400	61,832	65,557	78,341
Interest	10,261	10,350	12,647	13,742	14,783	16,601
Depreciation	12,561	12,625	10,330	11,021	11,460	12,732
<b>Total Expenses</b>		<b>219,550</b>	<b>219,575</b>	<b>217,544</b>	<b>220,478</b>	<b>250,824</b>
<b>Percentage distribution</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Salaries and benefits		58.3%	58.4%	60.2%	58.4%	57.1%
Supplies, service, other		31.3%	31.2%	28.4%	29.7%	31.2%
Interest		4.7%	5.8%	6.3%	6.7%	6.6%
Depreciation		5.8%	4.7%	5.1%	5.2%	5.1%
<b>Total Expenses</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- The audited statements did not report this in 2017, as the accounting standards changed for 2018
- The total expenses matched IPEDS (Integrated Postsecondary Education Data System) for all years but 2017 and 2018, when there were discrepancies of 3,389,000 and 80,000, respectively

# 1. 2022 Percentage Distribution of Natural Expenses per Audit

2022 Natural Expenses Distribution



Salaries and benefits are less than 2/3<sup>rd</sup> of the expenses at Wesleyan; the prior slide had these at a high of 60.2% in 2020

## 2. Functional Expense Distribution per Audit

(definitions on next slides)

<b>Total Per audit</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Instruction	103,791	106,574	105,133	106,512	98,554	118,794
Research	9,341	10,101	10,216	9,269	9,034	7,230
Libraries (Acad Support)	11,175	11,502	11,811	11,632	11,260	12,609
Student services	12,878	13,959	14,363	14,866	20,530	20,949
Institutional support	26,946	29,217	28,790	27,222	28,486	31,732
Auxiliaries	47,381	48,117	49,262	48,043	52,614	59,510
<b>Total Operating Expenses</b>	<b>211,512</b>	<b>219,470</b>	<b>219,575</b>	<b>217,544</b>	<b>220,478</b>	<b>250,824</b>
<b>% Distribution per audit</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Instruction	49.1%	48.6%	47.9%	49.0%	44.7%	47.4%
Research	4.4%	4.6%	4.7%	4.3%	4.1%	2.9%
Libraries (Acad Support)	5.3%	5.2%	5.4%	5.3%	5.1%	5.0%
Student services	6.1%	6.4%	6.5%	6.8%	9.3%	8.4%
Institutional support	12.7%	13.3%	13.1%	12.5%	12.9%	12.7%
Auxiliaries	22.4%	21.9%	22.4%	22.1%	23.9%	23.7%
<b>Total Operating Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Contrary to popular belief, instruction expenses are less than 50% of total expenses in every year

## 2022 Discrepancy between Instruction in Audit and IPEDS

Compare 2022 Audit vs. IPEDS	Audit	IPEDS	Difference
Instruction	118,794	113,917	4,877
Research	7,230	7,230	0
Academic support	12,609	13,201	(592)
Student services	20,949	25,234	(4,285)
Institutional support	31,732	31,732	0
Auxiliaries	59,510	59,510	0
<b>Total Expenses</b>	<b>250,824</b>	<b>250,824</b>	<b>0</b>

# Category Definitions of Expenses

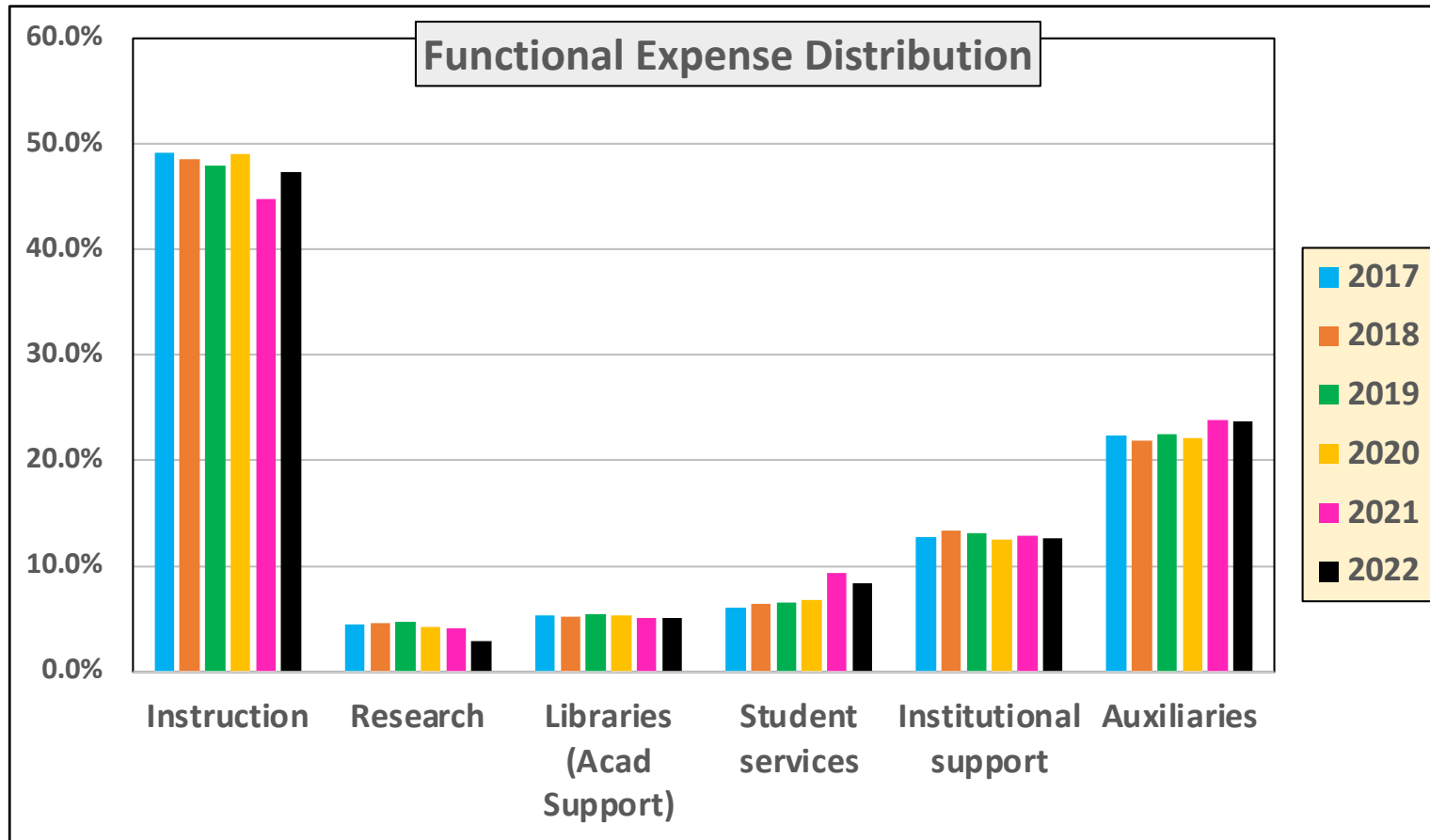
per IPEDS, Integrated Postsecondary Education Data System of the U.S. Dept. of Education

- **Instruction**: expenses of the colleges, schools, departments, and other instructional divisions of the institution and expenses for departmental research and public service that are not separately budgeted. Includes general academic instruction, occupational and vocational instruction, community education, preparatory and adult basic education, and regular, special, and extension sessions. Also includes expenses for both credit and non-credit activities. Excludes expenses for academic administration where the primary function is administration (e.g., academic deans).
- **Research**: activities specifically organized to produce research outcomes and commissioned by an agency either external to the institution or separately budgeted by an organizational unit within the institution. The category includes institutes and research centers, and individual and project research. This function does not include non-research sponsored programs (e.g., training programs).
- **Public Service**: activities established primarily to provide noninstructional services beneficial to individuals and groups external to the institution. Examples are conferences, institutes, general advisory service, reference bureaus, and similar services provided to particular sectors of the community. This function includes expenses for community services, cooperative extension services, and public broadcasting services
- **Academic Support**: activities and services that support the institution's primary missions of instruction, research, and public service. It includes the retention, preservation, and display of educational materials (for example, **libraries** and galleries); organized activities that provide support services to the academic functions of the institution; media such as audiovisual services; academic administration (including **academic deans but not department chairpersons**); and formally organized and separately budgeted academic personnel development and course and curriculum development expenses.

# More Expense Category Definitions per IPEDS

- **Student services:** includes expenses for admissions, registrar activities, and activities whose primary purpose is to contribute to students emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instructional program. Examples include student activities, cultural events, student newspapers, intramural athletics, student organizations, supplemental instruction outside the normal administration, and student records.
- **Institutional support:** general administrative services, central executive-level activities concerned with management and long-range planning, legal and fiscal operations, space management, employee personnel and records, logistical services such as purchasing and printing, and public relations and development.
- **Auxiliaries:** Expenses for essentially self-supporting operations of the institution that exist to furnish a service to students, faculty, or staff, and that charge a fee that is directly related to, although not necessarily equal to, the cost of the service. Examples are residence halls, food services, student health services, intercollegiate athletics, college unions, college stores, faculty and staff parking, and faculty housing.

## 2. Graph of Functional Expense Distribution per Audit



**Institutional support is all administration**

**Auxiliaries are mostly housing and dining, but also includes parking, student union, bookstore, conference centers, and athletics**



### 3. Salaries and Benefits only per Audit (2019 to 2022 only)

Salaries + Benefits per Audit	2019	2020	2021	2022	\$ Change 2019 to 2022	% Change 2019 to 2022
Instruction	78,694	80,515	79,894	90,435	<b>11,741</b>	14.9%
Research	3,890	3,650	3,488	2,723	<b>(1,167)</b>	-30.0%
Academic Support	4,471	4,490	4,057	4,652	<b>181</b>	4.0%
Student services	13,122	13,441	13,045	14,517	<b>1,395</b>	10.6%
Institutional support	21,805	22,738	22,790	24,355	<b>2,550</b>	11.7%
Auxiliaries	6,216	6,115	5,404	6,468	<b>252</b>	4.1%
<b>Total Operating Expenses</b>	128,198	130,949	128,678	143,150	<b>14,952</b>	11.7%
Salaries + Benefits per Audit	2019	2020	2021	2022		
Instruction	61.4%	61.5%	62.1%	63.2%		
Research	3.0%	2.8%	2.7%	1.9%		
Academic Support	3.5%	3.4%	3.2%	3.2%		
Student services	10.2%	10.3%	10.1%	10.1%		
Institutional support	17.0%	17.4%	17.7%	17.0%		
Auxiliaries	4.8%	4.7%	4.2%	4.5%		
<b>Total Operating Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

## 4. Salary-Only Distribution per IPEDS

**IPEDS = Integrated Postsecondary Education Data System of the U.S. Dept. of Education**

IPEDS Salary Only	2017	2018	2019	2020	2021	2022
Instruction	52,111	54,052	57,350	60,348	59,390	67,733
Research	4,163	3,997	3,892	2,920	2,757	1,933
Academic support	4,674	4,772	5,428	5,490	4,935	4,097
Student services	8,422	9,410	12,125	12,648	11,817	12,951
Institutional support	17,172	17,451	14,553	15,149	15,254	16,464
Auxiliaries	918	1,128	3,373	4,226	3,176	3,693
<b>Total Salaries</b>	<b>87,460</b>	<b>90,810</b>	<b>96,721</b>	<b>100,781</b>	<b>97,329</b>	<b>106,871</b>
Total Benefits	29,527	32,201	31,477	30,168	29,527	36,279
Total Salaries + Benefits	116,987	123,011	128,198	130,949	126,856	143,150
Total Sal + Ben per Audit	??	127,901	128,198	130,949	128,678	143,150
<b>Difference</b>		<b>(4,890)</b>	<b>0</b>	<b>0</b>	<b>(1,822)</b>	<b>0</b>
<b>Benefit rate</b>	<b>33.8%</b>	<b>35.5%</b>	<b>32.5%</b>	<b>29.9%</b>	<b>30.3%</b>	<b>33.9%</b>

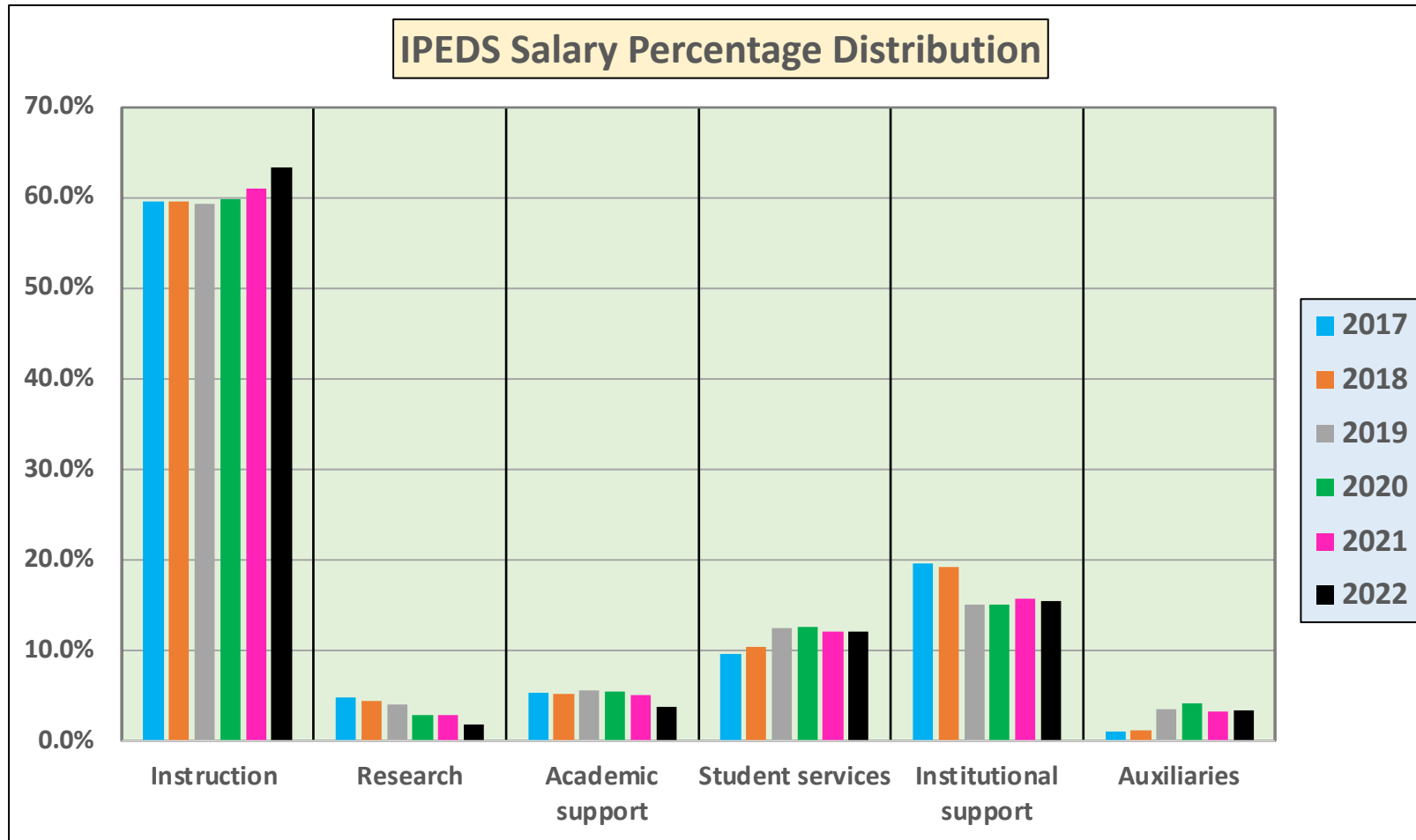
- There was a huge drop (almost \$3 million) in admin salaries from 2018 to 2019; we will see that the IPEDS Human Resources data does not support such a decline
- Instruction increased significantly from 2021 to 2022; enrollment fluctuated (big down, big up) from 2020 to 2022
- The bottom row is the real benefit rate, reported by the Wesleyan administration, and is simply total benefits as a percent of total salaries; for 2022, 33.9% is 36,279/106,871

## IPEDS Salary-Only Percentage Distribution

IPEDS Salary Only	2017	2018	2019	2020	2021	2022
Instruction	59.6%	59.5%	59.3%	59.9%	61.0%	63.4%
Research	4.8%	4.4%	4.0%	2.9%	2.8%	1.8%
Academic support	5.3%	5.3%	5.6%	5.4%	5.1%	3.8%
Student services	9.6%	10.4%	12.5%	12.5%	12.1%	12.1%
Institutional support	19.6%	19.2%	15.0%	15.0%	15.7%	15.4%
Auxiliaries	1.0%	1.2%	3.5%	4.2%	3.3%	3.5%
<b>Total Salaries</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

- Spending over 60% of salaries on instruction is high
- We will later compare this spending pattern for 2021 (latest year available) to peer institutions

# IPEDS Salary-Only Distribution Graphically



## **Employee Analysis:**

- **Number of faculty, management and all staff**
- **Number of part-time faculty and graduate students**
- **Faculty Salaries**
- **Top Administrator salaries per IRS 990's**

# Who is Teaching the Classes, by Rank

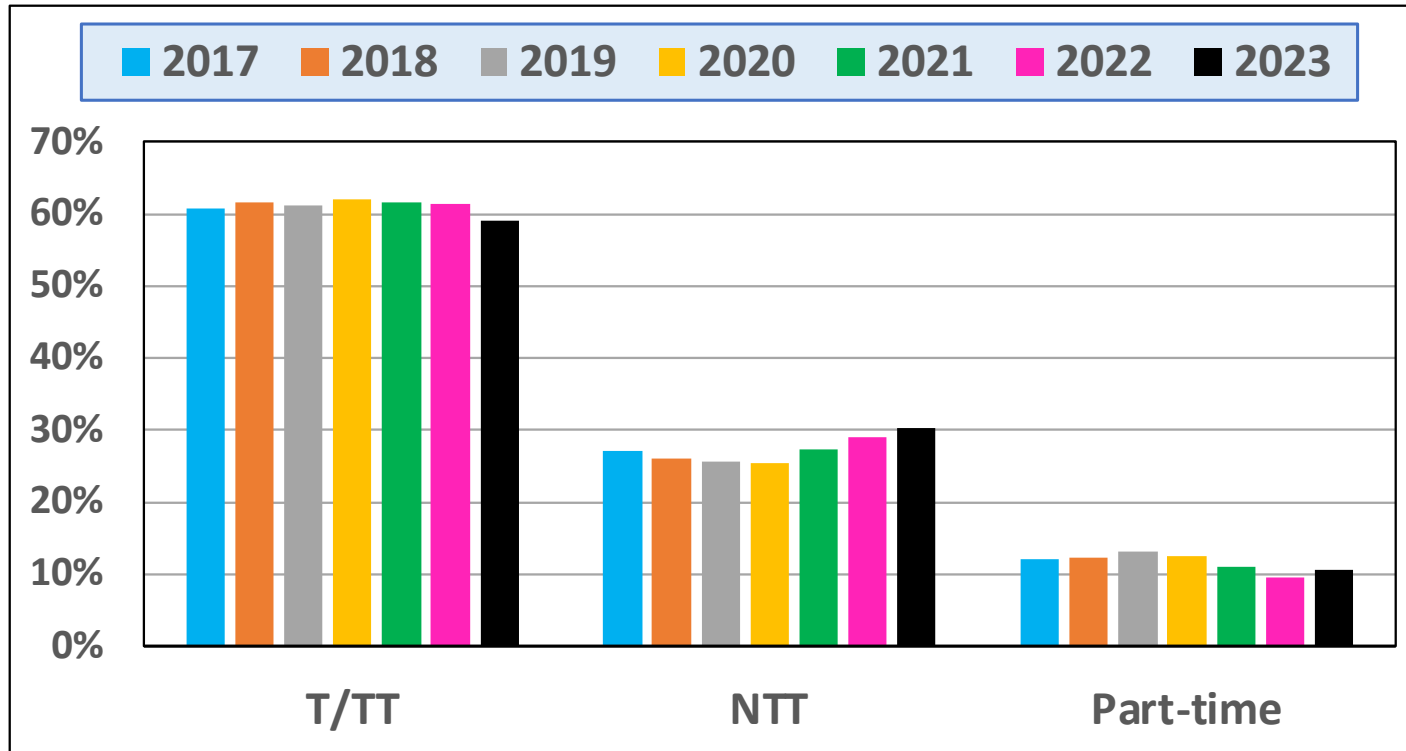
Source: IPEDS

								2017 to 2023	
PER IPEDS	2017	2018	2019	2020	2021	2022	2023	# Change	% Change
Tenure	186	185	185	189	193	193	201	15	8.1%
Tenure track	71	74	74	79	73	80	79	8	11.3%
T/TT	257	259	259	268	266	273	280	23	8.9%
NTT	115	110	109	110	118	129	144	29	25.2%
Total Full-time	372	369	368	378	384	402	424	52	14.0%
Part-time	51	52	56	54	48	43	50	(1)	-2.0%
Grad Teaching Assts	102	107	86	92	85	86	81	(21)	-20.6%
Grad Research Assts	14	10	7	4	5	14	17	3	21.4%
<b>Enrollment</b>	<b>3,206</b>	<b>3,213</b>	<b>3,217</b>	<b>3,230</b>	<b>3,053</b>	<b>3,581</b>	<b>3,253</b>	<b>47</b>	<b>1.5%</b>

A news story on the Wesleyan site announced 56 new faculty hires for fall 2023; of these 16 are new assistant professors (likely tenure-track), the rest visiting and likely non-tenure track. Given retirements, it is not clear what the number and distribution of faculty will be for 2024.

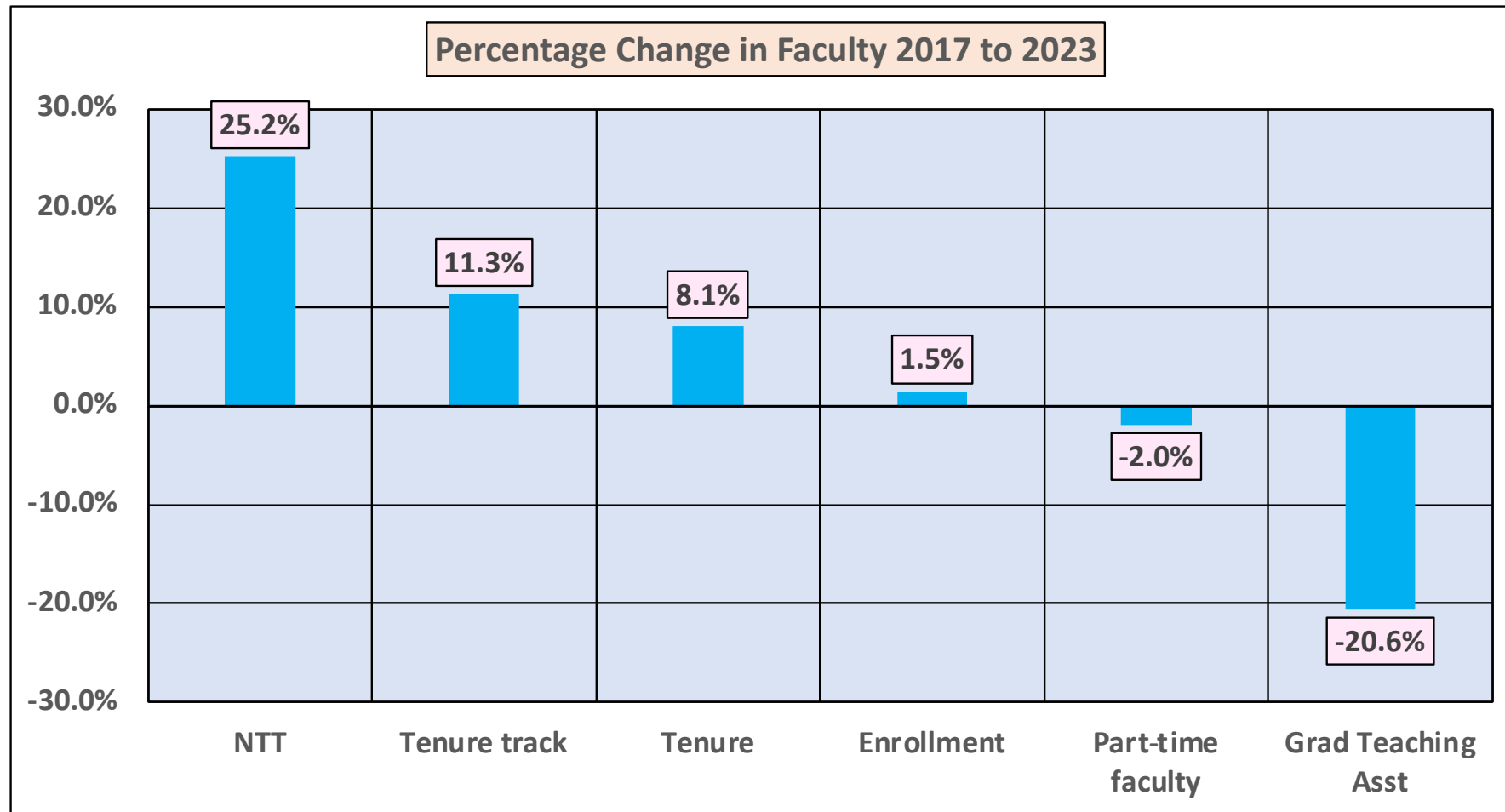
# Faculty Distribution per IPEDS

## Small but discernable shift away from T/TT to NTT



	2017	2018	2019	2020	2021	2022	2023
T/TT	61%	62%	61%	62%	62%	61%	59%
NTT	27%	26%	26%	25%	27%	29%	30%
Part-time	12%	12%	13%	13%	11%	10%	11%
Total	100%	100%	100%	100%	100%	100%	100%

# Long-term Change in Number of Faculty per IPEDS



The shift towards non-tenure track faculty is supported by this data. We will later examine class size as well.



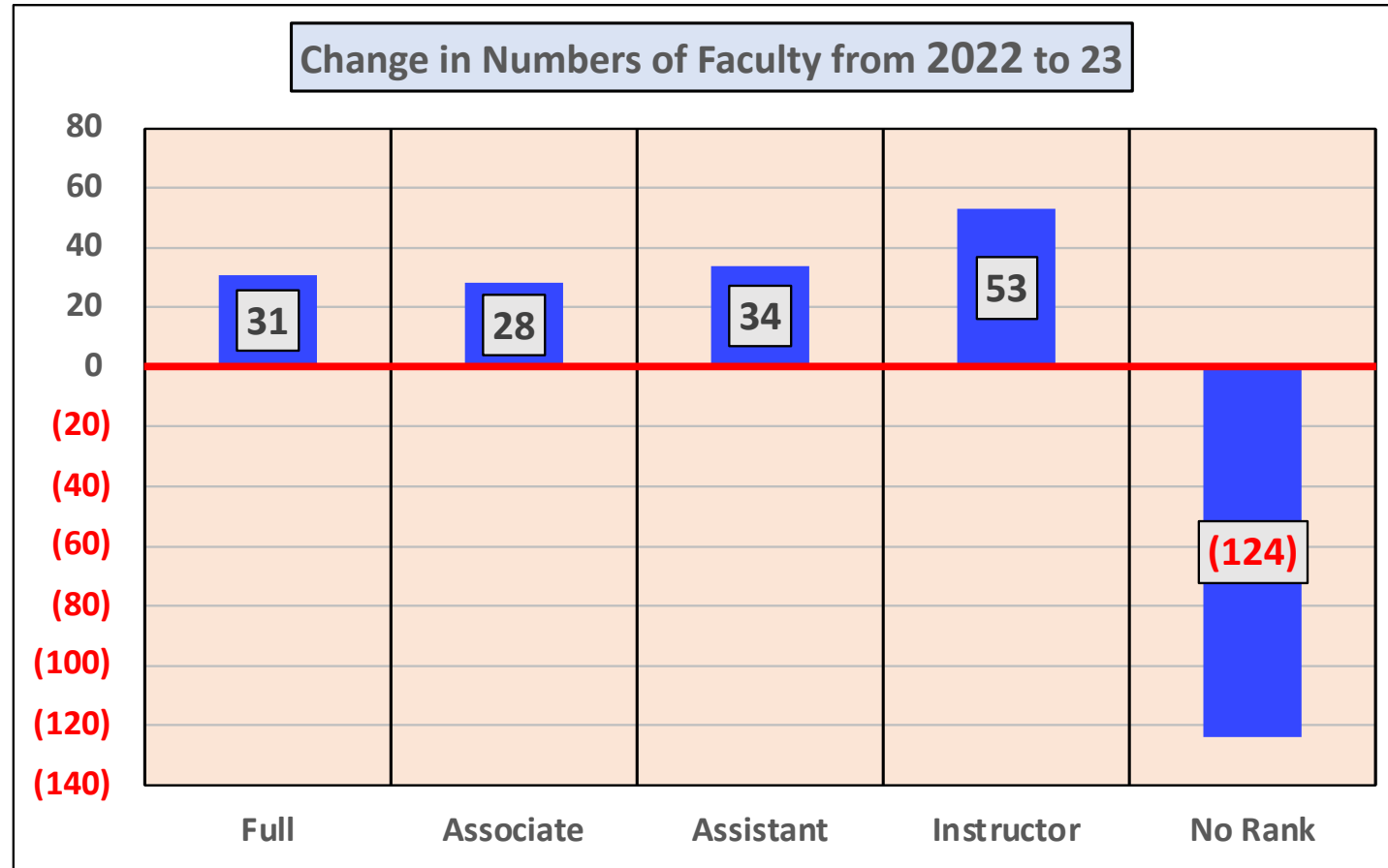
# Number of Faculty by Level

Sources: AAUP Compensation Survey and IPEDS  
(numbers are the exact same for both)

	2017	2018	2019	2020	2021	2022	2023
Full	121	116	111	108	106	111	142
Associate	65	69	74	81	87	83	111
Assistant	71	74	74	79	73	79	113
Instructor	0	0	0	0	0	0	53
Lecturer	0	0	0	0	0	0	0
No Rank	115	110	109	110	118	129	5
Total Full-time	372	369	368	378	384	402	424

- The changes in reporting the full-time faculty by category changed significantly from 2022 to 2023; it appears, from the rank data, that some non-tenure track faculty have the rank of associate or assistant professor.
- This makes comparing this to other universities difficult, though we will still report the full peer faculty salary comparisons

# Change in Number of Faculty as Reported to IPEDS and the AAUP, 2022 to 2023



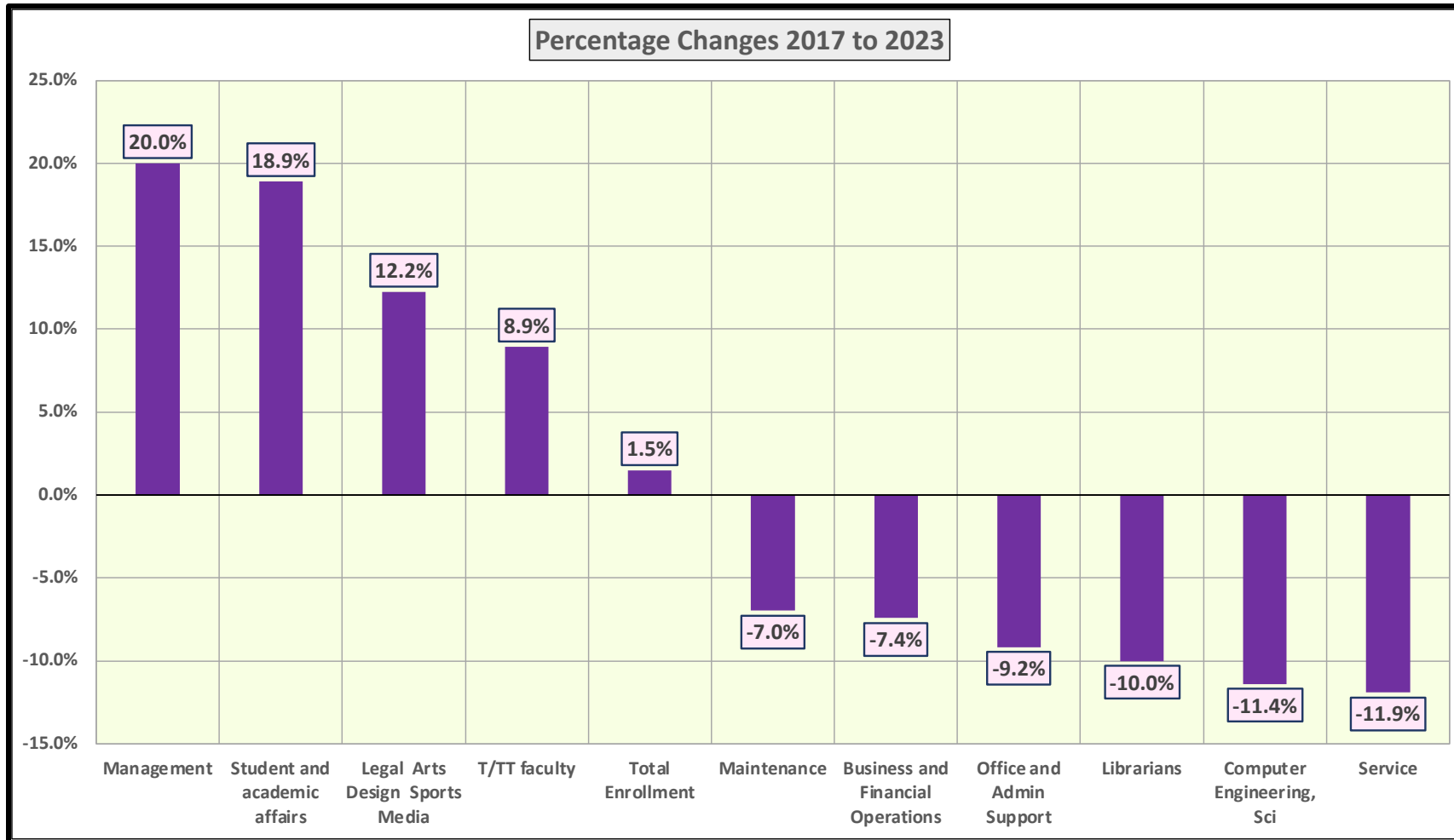
# Number of Non-Instructional Employees per IPEDS

	2017	2018	2019	2020	2021	2022	2023	2017 to 2023	
								#Change	% Change
Librarians	40	38	40	39	34	36	36	(4)	-10.0%
Student and academic affairs	37	36	38	37	40	42	44	7	18.9%
<b>Management</b>	<b>60</b>	<b>58</b>	<b>55</b>	<b>56</b>	<b>67</b>	<b>72</b>	<b>72</b>	<b>12</b>	<b>20.0%</b>
Business and Financial Operations	81	83	82	86	81	72	75	(6)	-7.4%
Computer Engineering, Sci	79	80	74	74	72	73	70	(9)	-11.4%
Legal Arts Design Sports Media	49	52	52	56	56	59	55	6	12.2%
Healthcare	10	11	11	14	10	11	9	(1)	-10.0%
Service	42	43	43	41	44	40	37	(5)	-11.9%
Sales	2	2	2	2	2	2	2	0	0.0%
Office and Admin Support	120	118	119	115	107	111	109	(11)	-9.2%
Maintenance	43	47	44	45	36	34	40	(3)	-7.0%
Transportation	10	11	11	11	10	10	10	0	0.0%
<b>Total Non-instructional Employees</b>	<b>573</b>	<b>579</b>	<b>571</b>	<b>576</b>	<b>559</b>	<b>562</b>	<b>559</b>	<b>(14)</b>	<b>-2.4%</b>

- The change in management from 2018 to 2019 of 58 to 55 is very small, and this does not support the change in institutional support salaries in the finance data from 2018 to 2019
- Overall, the number and percentage changes in management are greater than every other employee category

# Percentage Change in Non-Instructional Employees from 2017 to 2023 per IPEDS

## Larger increase in Management than any other category



Definition of Management employee per IPEDS:

***“Management function should include those staff whose job it is to plan, direct, or coordinate policies, programs, and may include some supervision of other workers.”***

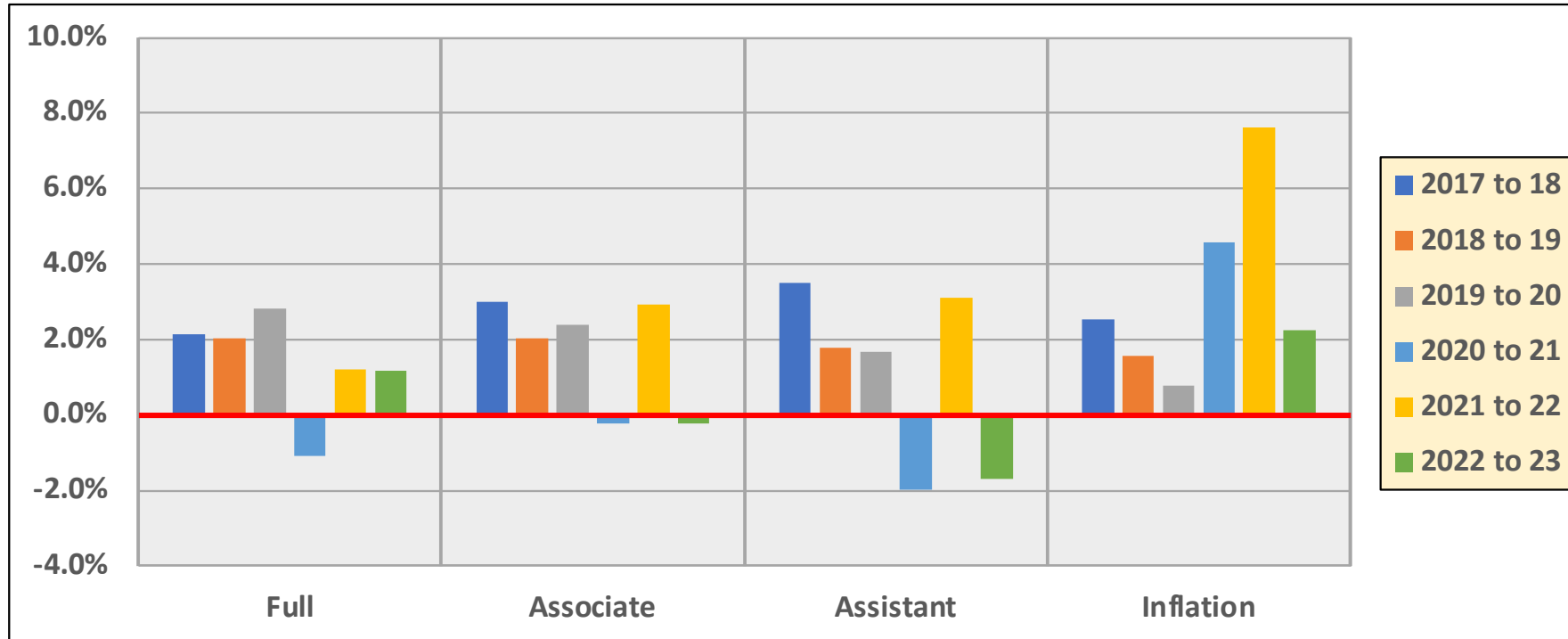
# Average Salaries by Rank per AAUP Compensation Survey

	2017	2018	2019	2020	2021	2022	2023
Full	\$149,445	\$152,633	\$155,752	\$160,162	\$158,455	\$160,366	\$162,225
Associate	\$103,410	\$106,504	\$108,659	\$111,246	\$111,008	\$114,277	\$114,003
Assistant	\$86,874	\$89,916	\$91,528	\$93,047	\$91,207	\$94,032	\$92,430
Instructor	N/A	N/A	N/A	N/A	N/A	N/A	\$71,685
Lecturer	N/A	N/A	N/A	N/A	N/A	N/A	N/A
No Rank	\$73,849	\$78,656	\$82,144	\$85,867	\$82,932	\$83,654	\$103,257
<b>All Ranks</b>	<b>\$106,089</b>	<b>\$109,377</b>	<b>\$111,645</b>	<b>\$114,033</b>	<b>\$111,714</b>	<b>\$113,198</b>	<b>\$118,989</b>

# Annual Changes in Faculty Salaries vs. Inflation

Sources: AAUP Survey and Bureau of Labor Statistics, Northeast region

[https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex\\_northeast.htm](https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex_northeast.htm)

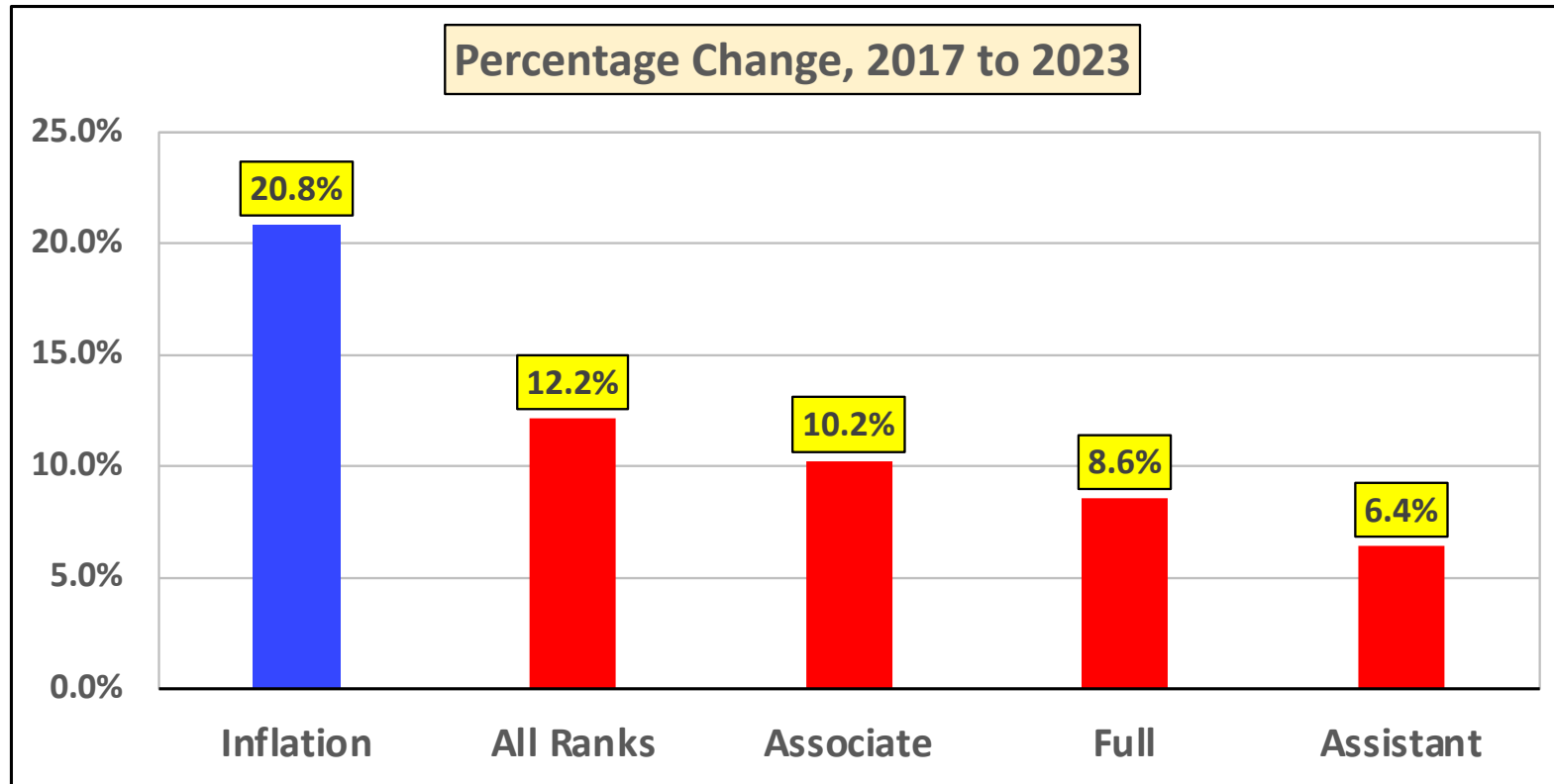


	2017 to 18	2018 to 19	2019 to 20	2020 to 21	2021 to 22	2022 to 23	2017 to 2023
Full	2.1%	2.0%	2.8%	-1.1%	1.2%	1.2%	<b>8.6%</b>
Associate	3.0%	2.0%	2.4%	-0.2%	2.9%	-0.2%	<b>10.2%</b>
Assistant	3.5%	1.8%	1.7%	-2.0%	3.1%	-1.7%	<b>6.4%</b>
All Ranks	3.1%	2.1%	2.1%	-2.0%	1.3%	5.1%	<b>12.2%</b>
Inflation	2.6%	1.6%	0.8%	4.6%	7.6%	2.2%	<b>20.8%</b>

# Long-term Changes in Faculty Salaries vs. Inflation

Sources: AAUP Survey and Bureau of Labor Statistics, Northeast region

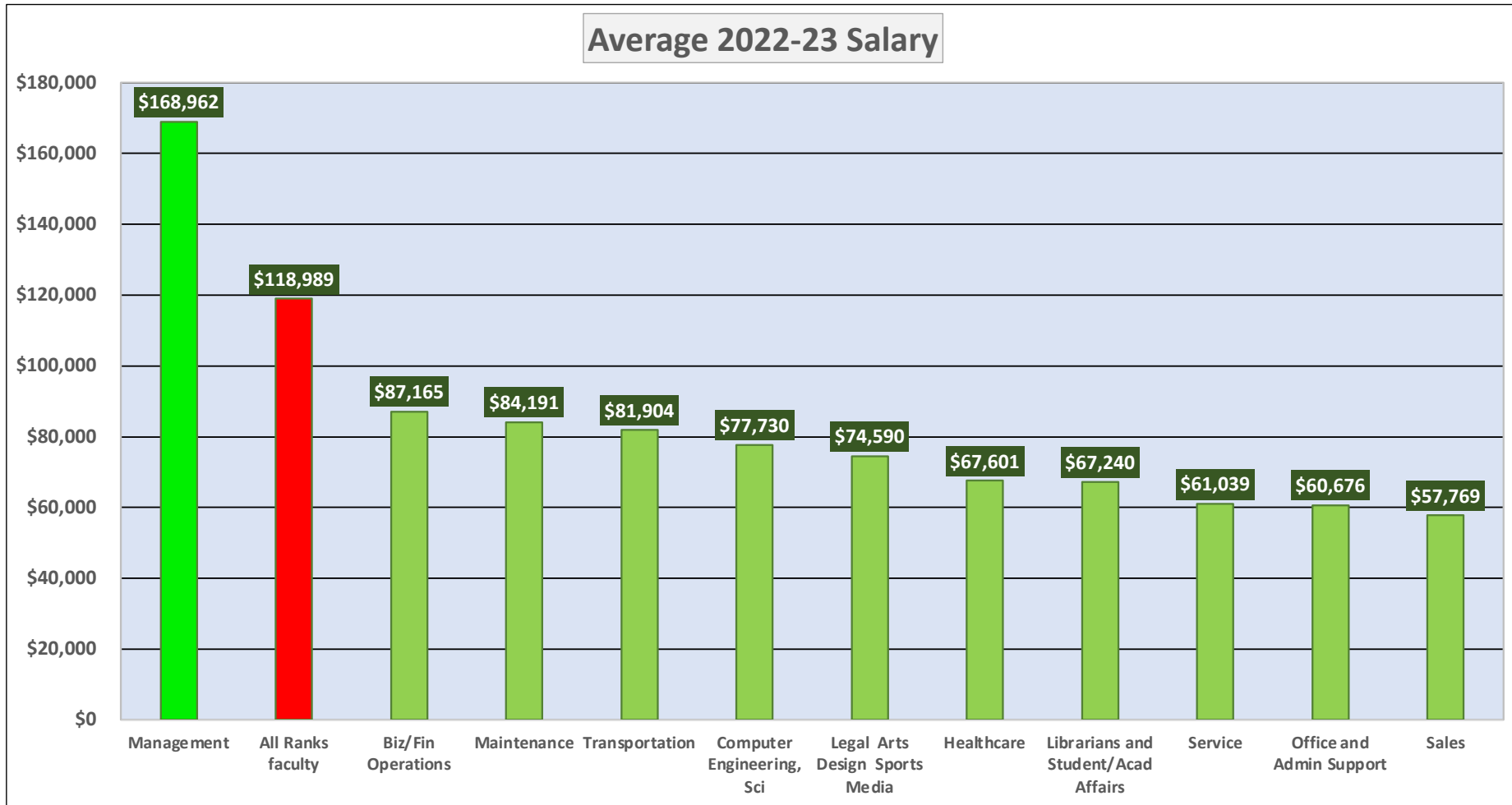
[https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex\\_northeast.htm](https://www.bls.gov/regions/mid-atlantic/news-release/consumerpriceindex_northeast.htm)



The All ranks average is higher than the three levels because all ranks includes no rank and instructors, and though we cannot compare those separate categories over time due to the changes in how they are reported, they are still part of the total

Note: The Wesleyan administration submits this data to the AAUP and the federal government

# 2023 Average Salaries of Non-Instructional Employees per IPEDS and AAUP





# Upper Administrative W-2 Salaries per IRS 990

Position	Calendar	Calendar	Calendar	Calendar	Calendar	2020 to 2021	
	2017	2018	2019	2020	2021	\$ Change	% Change
Chief Invest officer	\$737,637	\$757,192	\$878,928	\$902,344	\$1,028,314	\$125,970	14.0%
President	\$817,977	\$2,809,596	\$761,912	\$685,168	\$811,961	\$126,793	18.5%
Director of investments	\$213,786	\$256,152	\$290,888	\$329,805	\$395,156	\$65,351	19.8%
Director, Investment office				\$236,170	\$313,842	\$77,672	32.9%
Sr VPFA & Treasurer	\$172,928	\$218,983	\$256,594	\$260,255	\$313,296	\$53,041	20.4%
Provost and SR VPAA			\$158,095	\$239,926	\$281,664	\$41,738	17.4%
Director, Ops & Invest				\$227,576	\$272,685	\$45,109	19.8%
VP Advancement			\$229,843	\$258,353	\$270,117	\$11,764	4.6%
General Counsel	\$227,637	\$233,788	\$258,875	\$255,590	\$262,575	\$6,985	2.7%
VP Student affairs	\$182,804	\$198,541	\$226,444	\$233,535	\$260,909	\$27,374	11.7%
VP and Dean of Admissions				\$243,738	\$250,049	\$6,311	2.6%
VP Communications				\$263,398	\$246,152	(\$17,246)	-6.5%
VP IT/CIO	\$196,146	\$201,615	\$207,313	\$210,137	\$216,731	\$6,594	3.1%
VP Equity and Inclusion				\$185,168	\$189,759	\$4,591	2.5%
Former VPFA	\$266,087	\$192,522					
VP University relations	\$288,592	\$297,103	\$213,553				
Former Dean of admissions	\$204,672	\$210,079	\$168,903				
Former Chief Comm Offcr	\$199,972	\$226,101					
Former VP Equity/Inclusion	\$162,568						
Associate VP Facilities		\$223,729		\$219,740			
Director of Const/Infrast			\$229,984				
Director of Athletics			\$219,753				
Former Provost VPAA	\$253,688	\$271,642	\$160,908				
Former Provost VPAA	\$178,118						
Former Provost VPAA	\$426,858						
Number of People	15	13	14	15	14		
Mean	\$301,965	\$469,003	\$304,428	\$316,727	\$365,229	\$41,575	11.7%
Median	\$213,786	\$226,101	\$228,144	\$243,738	\$271,401	\$34,556	12.8%

- These are calendar year W-2 salaries.
- Overall, these salaries are very high
- The mean in every year is higher than the median, being driven by a few very large salaries
- It is hard to compare to peers due to differences in titles, positions, and mostly part-year salaries
- The increases from calendar 2020 to calendar 2021 are incredibly high; much higher in both dollar and percentage terms than the faculty received. This should be addressed.
- These salaries did not decline from 2019 to 2020, so that 2021 was a makeup year
- The salaries just keep going up and up by large amounts

## **Peer Analysis:**

- **Are these the right peers? Institutional characteristics**
- **Faculty Salaries**
- **Endowment**
- **Bond ratings**
- **Enrollment and changes in enrollment**
- **Revenue distribution**
- **Tuition and fee price**
- **Discount rate**
- **Faculty composition: who teaches the classes?**
- **Percent of salaries to faculty and administration**
- **Graduation and Pell rates**

# Base Peer Group (N=15; group of 16 including Wesleyan)

Amherst College
Brandeis University
Brown University
Bryn Mawr College
Carleton College
Dartmouth College
Mount Holyoke College
Oberlin College
Pomona College
Smith College
Swarthmore College
Trinity College
Tufts University
Wellesley College
Williams College

# Institutional Characteristics of Wesleyan and Peers

Source: IPEDS

Institution	State	BEA Region	Carnegie Classification	Highest Degree Offered	Degree of Urbanization
Amherst	MA	New England	Baccalaureate Colleges: Arts & Sciences Focus	Bachelor's degree	Suburb: Large
Brandeis	MA	New England	Doctoral Research: Very High	Doctor's degree: research	City: Small
Brown	RI	New England	Doctoral Research: Very High	Doctor's degree: research & prof practice	City: Midsize
Bryn Mawr	PA	Mid East	Baccalaureate Colleges: Arts & Sciences Focus	Doctor's degree: research	Suburb: Large
Carleton	MN	Plains	Baccalaureate Colleges: Arts & Sciences Focus	Bachelor's degree	Town: District
Dartmouth	NH	New England	Doctoral Research: Very High	Doctor's degree: research & prof practice	Town: Remote
Mt. Holyoke	MA	New England	Baccalaureate Colleges: Arts & Sciences Focus	Master's Degree	Suburb: Large
Oberlin	OH	Great Lakes	Baccalaureate Colleges: Arts & Sciences Focus	Master's Degree	Town: Fringe
Pomona	CA	Far West	Baccalaureate Colleges: Arts & Sciences Focus	Bachelor's degree	Suburb: Large
Smith	MA	New England	Baccalaureate Colleges: Arts & Sciences Focus	Doctor's degree: research	Suburb: Large
Swarthmore	PA	Mid East	Baccalaureate Colleges: Arts & Sciences Focus	Bachelor's degree	Suburb: Large
Trinity (CT)	CT	New England	Baccalaureate Colleges: Arts & Sciences Focus	Master's Degree	City: Midsize
Tufts	MA	New England	Doctoral Research: Very High	Doctor's degree: prof practice	Suburb: Large
Wellesley	MA	New England	Baccalaureate Colleges: Arts & Sciences Focus	Bachelor's degree	Suburb: Large
Wesleyan	CT	New England	Baccalaureate Colleges: Arts & Sciences Focus	Doctor's degree: research	City: Small
Williams	MA	New England	Baccalaureate Colleges: Arts & Sciences Focus	Master's Degree	Town: Fringe

None of the peers have a formal religious affiliation  
None of the peers have a hospital

# Analysis of Institutional Characteristics per IPEDS

## Wesleyan result highlighted in yellow

State	Number
Massachusetts	7
<b>Connecticut</b>	<b>2</b>
Pennsylvania	2
California	1
Minnesota	1
New Hampshire	1
Ohio	1
Rhode Island	1
Total	16

BEA Region	Number
<b>New England</b>	<b>11</b>
Mid East	2
Great Lakes	1
Plains	1
Far West	1
Total	16

Carnegie	
<b>Baccalaureate Colleges: Arts &amp; Sciences Focus</b>	<b>12</b>
Doctoral Research: Very High	4
Total	16

Highest Degree Offered	
Bachelor's degree	5
Master's degree	4
<b>Doctor's degree: research</b>	<b>4</b>
Doctor's degree: research & prof practice	3
Total	16

Degree of Urbanization	Number
Suburb: Large	8
City: Midsize	2
<b>City: Small</b>	<b>2</b>
Town: Fringe	2
Town: District	1
Town: Remote	1
Total	16

# 2023 Faculty Salaries vs. Peers per AAUP Survey

2023	Full	Associate	Assistant	Instructor	Lecturer	No Rank	All Ranks
Dartmouth	\$259,292	\$159,903	\$123,174	\$134,490	\$97,437		\$178,337
Brown	\$205,828	\$139,090	\$114,156	\$83,126	\$97,999		\$157,372
Brandeis	\$171,252	\$119,649	\$102,196	\$61,681	\$77,411		\$127,319
Pomona	\$169,675	\$130,024	\$104,811	\$70,115			\$130,069
Tufts	\$168,750	\$122,973	\$104,630	\$99,955	\$84,716		\$124,366
Amherst	\$168,739	\$118,956	\$104,726	\$89,033	\$92,598		\$126,260
Williams	\$167,615	\$117,522	\$105,383		\$131,684	\$85,576	\$135,304
Wellesley	\$166,092	\$117,437	\$95,936	\$65,062	\$90,208		\$120,374
Swarthmore	\$162,931	\$119,617	\$98,240				\$129,258
<b>Wesleyan</b>	<b>\$162,224</b>	<b>\$114,004</b>	<b>\$92,431</b>	<b>\$71,686</b>		<b>\$103,255</b>	<b>\$118,987</b>
Bryn Mawr	\$155,662	\$106,229	\$91,559	\$58,749	\$83,642	\$57,118	\$107,898
Carleton	\$148,457	\$114,576	\$92,693		\$86,295		\$124,957
Smith	\$148,275	\$112,385	\$92,373	\$68,420	\$86,286		\$117,891
Trinity (CT)	\$139,765	\$105,026	\$88,070		\$72,354	\$62,649	\$98,485
Mt. Holyoke	\$133,612	\$100,361	\$87,557	\$56,301	\$80,714		\$96,379
<b>Peer Average</b>	<b>\$168,996</b>	<b>\$120,268</b>	<b>\$100,393</b>				<b>\$126,733</b>
Peer Median	\$166,854	\$118,239	\$100,218				\$125,608
<b>Wesleyan vs. Peer average in \$</b>	<b>(\$6,772)</b>	<b>(\$6,263)</b>	<b>(\$7,963)</b>				<b>(\$7,746)</b>
<b>Wesleyan vs. Peer average in %</b>	<b>-4.0%</b>	<b>-5.2%</b>	<b>-7.9%</b>				<b>-6.1%</b>
<b>Wesleyan rank (of 15)</b>	<b>10</b>	<b>11</b>	<b>11</b>				<b>11</b>
Oberlin	no data						

- Overall, Wesleyan faculty salaries are lower than most peers at all levels; At all three levels, Wesleyan faculty are more than \$6,000 and less than \$8,000 below peer averages.
- There is very little difference between the mean and median salaries
- Because not all institutions report instructor, lecturer, and no rank, and there are typically differences in how these are interpreted, these 3 ranks will not be compared to peers
- There was no data for Oberlin in 2023

**Peer Group Chosen by the Wesleyan Administration:  
N=26 per 2022 IPEDS data feedback report**

**12 of the 16 original peers are also in this group (shaded in green)**

Amherst College (Amherst, MA)
Bowdoin College (Brunswick, ME)
Brandeis University (Waltham, MA)
Brown University (Providence, RI)
Carleton College (Northfield, MN)
Claremont McKenna College (Claremont, CA)
Colgate University (Hamilton, NY)
Dartmouth College (Hanover, NH)
Davidson College (Davidson, NC)
Grinnell College (Grinnell, IA)
Hamilton College (Clinton, NY)
Harvey Mudd College (Claremont, CA)
Haverford College (Haverford, PA)

Middlebury College (Middlebury, VT)
New York University (New York, NY)
Oberlin College (Oberlin, OH)
Pomona College (Claremont, CA)
Skidmore College (Saratoga Springs, NY)
Smith College (Northampton, MA)
Swarthmore College (Swarthmore, PA)
Tufts University (Medford, MA)
University of Chicago (Chicago, IL)
Vassar College (Poughkeepsie, NY)
Washington and Lee University (Lexington, VA)
Wellesley College (Wellesley, MA)
Williams College (Williamstown, MA)

**Issues with this peer group:  
Geographically not as close to Wesleyan (n=27 including Wesleyan)**

State	Number
Massachusetts	6
New York	5
California	3
Pennsylvania	2
Connecticut	1
Minnesota	1
New Hampshire	1
Ohio	1
Rhode Island	1
Iowa	1
Illinois	1
Maine	1
North Carolina	1
Virginia	1
Vermont	1
Total	27

BEA Region	Number
New England	11
Mid East	7
Great Lakes	2
Plains	2
Southeast	2
Far West	3
Total	27



# 2023 Salaries vs. the 26 IPEDS Peers

Source: Salaries per AAUP

2023 IPEDS Peers	Full	Associate	Assistant	All Ranks
Univ of Chicago	\$267,123	\$151,570	\$137,323	\$171,917
Dartmouth	\$259,292	\$159,903	\$123,174	\$178,337
NYU	\$257,575	\$149,855	\$132,295	\$157,550
Brown	\$205,828	\$139,090	\$114,156	\$157,372
Claremont Mckenna	\$184,356	\$143,406	\$103,349	\$144,050
Brandeis	\$171,252	\$119,649	\$102,196	\$127,319
Pomona	\$169,675	\$130,024	\$104,811	\$130,069
Tufts	\$168,750	\$122,973	\$104,630	\$124,366
Amherst	\$168,739	\$118,956	\$104,726	\$126,260
Williams	\$167,615	\$117,522	\$105,383	\$135,304
Wellesley	\$166,092	\$117,437	\$95,936	\$120,374
Harvey Mudd	\$163,908	\$120,690	\$108,330	\$132,279
Swarthmore	\$162,931	\$119,617	\$98,240	\$129,258
<b>Wesleyan</b>	<b>\$162,224</b>	<b>\$114,004</b>	<b>\$92,431</b>	<b>\$118,987</b>
Colgate	\$159,377	\$114,143	\$98,525	\$112,902
Bowdoin	\$158,925	\$124,497	\$98,258	\$124,474
Hamilton	\$151,226	\$113,076	\$94,914	\$113,387
Vassar	\$151,123	\$117,446	\$93,694	\$115,776
Wash and Lee	\$149,471	\$121,395	\$102,032	\$117,558
Carleton	\$148,457	\$114,576	\$92,693	\$124,957
Smith	\$148,275	\$112,385	\$92,373	\$117,891
Middlebury	\$148,161	\$111,519	\$98,551	\$121,410
Davidson	\$147,544	\$105,651	\$85,896	\$112,005
Grinnel	\$144,187	\$112,690	\$93,276	\$114,379
Haverford	\$135,969	\$106,612	\$90,606	\$107,454
Skidmore	\$133,998	\$103,810	\$85,809	\$97,973

	Full	Associate	Assistant	All Ranks
Peer average	\$171,594	\$122,740	\$102,447	\$128,585
Peer median	\$162,931	\$118,956	\$98,551	\$124,474
Wesleyan vs. Peer average in \$	(\$9,370)	(\$8,735)	(\$10,016)	(\$9,598)
Wesleyan vs. Peer median in \$	(\$707)	(\$4,952)	(\$6,120)	(\$5,486)
Wesleyan vs. Peer average in %	-5.5%	-7.1%	-9.8%	-7.5%
Wesleyan vs. Peer median in %	-0.4%	-4.2%	-6.2%	-4.4%
<b>Wesleyan rank (of 26)</b>	<b>14</b>	<b>19</b>	<b>22</b>	<b>17</b>

- Wesleyan is in the bottom half of this peer group for all ranks and for all ranks in terms of average
- Wesleyan trails the median peer salary at all four faculty constructs as well
- The median is much lower than the mean here, due to Chicago and NYU being part of this group
- However, there are some much lower salaried institutions here as well
- **Conclusion: no matter the peer group, Wesleyan faculty salaries are lower than those at peer institutions**

# Average All Ranks Faculty Salary and Average Management Faculty, 2022 per IPEDS (original peer group)

	Average Management Salary	All Ranks Faculty Average Salary
Smith	\$166,819	\$110,413
Brandeis	\$165,419	\$124,293
Wellesley	\$165,138	\$113,747
<b>Wesleyan</b>	<b>\$161,897</b>	<b>\$113,198</b>
Dartmouth	\$161,507	\$150,968
Amherst	\$151,561	\$121,414
Trinity (CT)	\$147,815	\$95,821
Pomona	\$145,491	\$123,742
Tufts	\$145,308	\$117,093
Carleton	\$138,217	\$113,130
Williams	\$135,153	\$123,835
Mt. Holyoke	\$130,873	\$95,528
Swarthmore	\$130,116	\$118,902
Brown	\$124,606	\$146,687
Oberlin	\$112,034	\$80,340
Bryn Mawr	\$101,950	\$100,707
<b>Mean</b>	<b>\$141,467</b>	<b>\$115,775</b>
<b>Wesleyan vs. Peer average in \$</b>	<b>\$20,430</b>	<b>(\$2,577)</b>
<b>Wesleyan vs. Peer average in %</b>	<b>14.4%</b>	<b>-2.2%</b>
<b>Wesleyan rank (of 16)</b>	<b>4</b>	<b>10</b>

**Wesleyan management employees had the 4<sup>th</sup> highest average salaries of the 16 peers in 2022**

**Wesleyan faculty have the 10<sup>th</sup> highest average salaries of the 16 peers in 2022**

# Bond Ratings and Forbes Ratings of Base Peers

Source: Standard and Poor's; Moody's; Forbes

	Moody's	S&P		Forbes Ratio Analysis	
				GPA	Grade
Pomona	Aaa	AAA		4.50	A+
Swarthmore	Aaa	AAA		4.50	A+
Amherst	Aaa	AA+		4.50	A+
Brown	Aa1	AA+		4.50	A+
Dartmouth	Aa1	AA+		4.50	A+
Smith	Aa1	AA+		4.50	A+
Wellesley	Aa1	AA+		4.50	A+
Williams	Aa1	AA+		4.50	A+
Bryn Mawr	Aa2	AA+		4.50	A+
Carleton	Aa2	none		4.50	A+
Wesleyan	Aa3	AA		4.50	A+
Oberlin	Aa3	AA-		4.50	A+
Tufts	Aa3	AA-		4.50	A+
Mt. Holyoke	Aa3	none		4.50	A+
Brandeis	A1	A+		4.37	A+
Trinity (CT)	A2	AA-		4.50	A+

Most peers have very strong Moody's and S&P bond ratings

The Forbes grades were issued in 2023 and are based on a 9-ratio framework. All but Brandeis got the highest 4.50 score

# Fall 2022 Headcount Enrollment vs. Peers

## Source: Common Data Set

Fall 2022	Total Enrollment	Undergrad	Grad	Percent Undergrad	Fall 2016 enrollment	% Change Fall 16 to Fall 22
Tufts	13,431	6,815	6,616	50.7%	11,489	16.9%
Brown	10,737	7,222	3,515	67.3%	9,781	9.8%
Dartmouth	6,744	4,458	2,286	66.1%	6,409	5.2%
Brandeis	5,581	3,687	1,894	66.1%	5,729	-2.6%
Wesleyan	3,253	3,069	184	94.3%	3,206	1.5%
Oberlin	2,986	2,986	0	100.0%	2,912	2.5%
Smith	2,873	2,523	350	87.8%	2,896	-0.8%
Wellesley	2,447	2,447	0	100.0%	2,482	-1.4%
Mt. Holyoke	2,392	2,193	199	91.7%	2,327	2.8%
Williams	2,205	2,152	53	97.6%	2,150	2.6%
Trinity (CT)	2,205	2,167	38	98.3%	2,350	-6.2%
Carleton	2,034	2,034	0	100.0%	2,105	-3.4%
Amherst	1,898	1,898	0	100.0%	1,849	2.7%
Pomona	1,791	1,791	0	100.0%	1,563	14.6%
Bryn Mawr	1,742	1,409	333	80.9%	1,708	2.0%
Swarthmore	1,625	1,625	0	100.0%	1,543	5.3%
<b>Mean</b>	<b>4,046</b>	<b>3,027</b>	<b>1,019</b>	<b>87.1%</b>	<b>3,820</b>	<b>3.3%</b>
<b>Wesleyan rank (of 16)</b>	<b>5</b>	<b>5</b>	<b>8</b>	<b>9</b>	<b>5</b>	<b>11</b>

Wesleyan is 5<sup>th</sup> out of 16 peers in total enrollment

Enrollment growth has been slower for Wesleyan than most peers, though it is still positive; 5 peers had negative enrollment growth from fall 2016 to fall 2022

# 2022 Endowment in Billions

Source: <https://www.nacubo.org/Research/2022/Public-NTSE-Tables>

	2022 Endowment	Enrollment	Endowment per student
Dartmouth	\$8,056,743,000	6,744	\$1,194,653
Brown	\$6,141,243,000	10,737	\$571,970
Williams	\$3,534,369,000	2,205	\$1,602,888
Amherst	\$3,321,853,000	1,898	\$1,750,186
Wellesley	\$2,846,865,000	2,447	\$1,163,410
Pomona	\$2,749,865,000	1,791	\$1,535,380
Swarthmore	\$2,725,238,000	1,625	\$1,677,070
Smith	\$2,467,996,000	2,873	\$859,031
Tufts	\$2,350,755,000	13,431	\$175,025
<b>Wesleyan</b>	<b>\$1,564,521,000</b>	<b>3,253</b>	<b>\$480,947</b>
Brandeis	\$1,205,167,000	5,581	\$215,941
Oberlin	\$1,201,825,000	2,986	\$402,487
Bryn Mawr	\$1,144,940,000	1,742	\$657,256
Carleton	\$1,093,697,000	2,034	\$537,707
Mt. Holyoke	\$1,002,549,000	2,392	\$419,126
Trinity (CT)	\$780,152,000	2,205	\$353,810
<b>Mean</b>	<b>\$2,708,217,133</b>	<b>4,046</b>	<b>\$874,396</b>
<b>Wesleyan rank (of 16)</b>	<b>10</b>	<b>5</b>	<b>11</b>

Wesleyan's endowment is certainly below the peer average endowment, but the \$1.5 billion amount is not out of line with most peers.

On a per student basis, Wesleyan is also below peer average, though this metric varies widely across institutions

## Reliance on Tuition Revenue: Negatively Correlated with Endowment per Student

Institution Name	Tuition as % of Total Revenues	Endowment per Student
Carleton	67.7%	\$537,707
Trinity (CT)	63.5%	\$353,810
Smith	59.0%	\$859,031
Oberlin	58.9%	\$402,487
Brandeis	58.5%	\$215,941
Mt. Holyoke	54.4%	\$419,126
Tufts	52.1%	\$175,025
Pomona	51.0%	\$1,535,380
<b>Wesleyan</b>	<b>47.0%</b>	<b>\$480,947</b>
Brown	45.4%	\$571,970
Bryn Mawr	44.0%	\$657,256
Amherst	39.3%	\$1,750,186
Williams	31.1%	\$1,602,888
Swarthmore	30.2%	\$1,163,410
Wellesley	23.7%	\$1,163,410
Dartmouth	21.3%	\$1,194,653
<b>Mean</b>	<b>46.7%</b>	<b>\$840,152</b>
<b>Wesleyan rank (of 16)</b>	<b>9</b>	<b>11</b>

Wesleyan tuition revenue is 47% of total revenue, which is in line with peer institutions

There is a -0.642 correlation between these variables: the higher the endowment per student, the lower the reliance on tuition.

Why? The larger endowments can cover a larger portion of the expenses, leaving less reliance on tuition

# Salary-Only as a Percent of Total Salaries vs. Peers per IPEDS, 2021

IPEDS 2021 Salary Distribution	Instruction	Research	Instruction + Research	Public service	Academic Support	Student Services	Institutional Support	Auxiliary
<b>Wesleyan</b>	<b>61.0%</b>	<b>2.8%</b>	<b>63.9%</b>	<b>0.0%</b>	<b>5.1%</b>	<b>12.1%</b>	<b>15.7%</b>	<b>3.3%</b>
Oberlin	59.0%	0.5%	59.5%	0.0%	9.7%	10.1%	16.4%	4.2%
Brandeis	44.9%	14.3%	59.2%	0.0%	15.0%	8.5%	15.2%	2.1%
Brown	44.0%	14.8%	58.8%	0.3%	11.3%	7.2%	15.4%	7.0%
Tufts	37.2%	17.0%	54.2%	0.0%	18.7%	4.6%	18.7%	3.4%
Pomona	53.1%	1.0%	54.1%	0.9%	8.5%	14.2%	17.9%	4.4%
Carleton	51.6%	2.3%	53.9%	0.0%	14.4%	13.1%	18.4%	0.2%
Wellesley	47.8%	5.2%	53.0%	0.0%	8.7%	17.6%	18.8%	1.9%
Trinity (CT)	51.2%	1.0%	52.2%	0.4%	7.6%	13.6%	22.2%	3.8%
Mt. Holyoke	48.8%	1.5%	50.2%	0.0%	12.7%	13.5%	16.7%	6.8%
Williams	46.8%	0.0%	46.8%	0.0%	7.9%	19.2%	16.6%	9.6%
Smith	44.6%	1.2%	45.8%	0.4%	13.5%	12.5%	20.7%	7.1%
Dartmouth	28.3%	17.2%	45.5%	0.0%	25.5%	11.2%	14.3%	3.6%
Swarthmore	42.8%	2.4%	45.2%	1.6%	17.0%	10.1%	22.2%	3.9%
Bryn Mawr	42.3%	1.0%	43.3%	1.4%	14.1%	13.2%	20.8%	5.7%
Amherst	39.7%	1.2%	40.9%	0.0%	14.6%	18.3%	15.1%	10.5%
<b>Mean</b>	<b>45.5%</b>	<b>5.4%</b>	<b>50.8%</b>	<b>0.3%</b>	<b>13.3%</b>	<b>12.5%</b>	<b>18.0%</b>	<b>4.9%</b>
<b>Wesleyan rank (of 16)</b>	<b>1</b>	<b>6</b>	<b>1</b>	<b>8</b>	<b>16</b>	<b>10</b>	<b>12</b>	<b>13</b>

Wesleyan spends the highest percentage of total salaries on instruction of any peer institution.

However, the story is more complicated that this, as Wesleyan is last in academic support; academic support is supposed to include deans and associate deans, as well as librarians. It is not clear what Wesleyan is putting into instruction, given the faculty salaries are lower than most peers.

# Tuition and Fee, Room and Board vs. Peers

Source: 2023-2024 per US News and World Report

2023-24	Tuition and Fees	Room and Board	Total Sticker price
<b>Wesleyan</b>	<b>\$67,016</b>	<b>\$19,034</b>	<b>\$86,050</b>
Tufts	\$67,844	\$17,660	\$85,504
Trinity (CT)	\$67,420	\$17,990	\$85,410
Amherst	\$67,280	\$17,560	\$84,840
Brown	\$68,230	\$16,598	\$84,828
Dartmouth	\$65,511	\$18,759	\$84,270
Wellesley	\$64,320	\$19,920	\$84,240
Oberlin	\$64,646	\$18,942	\$83,588
Mt. Holyoke	\$64,142	\$18,838	\$82,980
Smith	\$61,568	\$21,310	\$82,878
Pomona	\$62,326	\$20,374	\$82,700
Carleton	\$65,457	\$16,710	\$82,167
Swarthmore	\$62,412	\$18,964	\$81,376
Bryn Mawr	\$62,560	\$18,690	\$81,250
Williams	\$64,860	\$16,300	\$81,160
Brandeis	\$62,722	\$17,092	\$79,814
<b>Mean</b>	<b>\$64,753</b>	<b>\$18,380</b>	<b>\$83,134</b>
<b>Wesleyan rank (of 16)</b>	<b>5</b>	<b>4</b>	<b>1</b>

Wesleyan has the 5<sup>th</sup> highest tuition and fees, 4<sup>th</sup> highest room and board, and the highest combined total sticker price.

We will see on the next slide that Wesleyan does not offer the highest discount rate or the most financial aid of peer institutions



# Discount Rate and Percent of Undergraduates Receiving Financial Aid

Source: IPEDS 2021 (latest year available for all institutions)

IPEDS 2021	Discount Rate	% of UG awarded fed, state, local or institutional grant	Average net price-students awarded grant or scholarship aid
Pomona	56.8%	58%	\$17,000
Amherst	54.9%	64%	\$18,809
Wellesley	54.1%	65%	\$21,862
Swarthmore	51.2%	74%	\$19,733
Smith	49.8%	70%	\$29,569
Oberlin	48.8%	88%	\$44,689
Trinity (CT)	48.0%	58%	\$29,789
Bryn Mawr	47.2%	71%	\$34,482
Mt. Holyoke	45.0%	100%	\$29,218
Williams	44.0%	58%	\$14,487
Dartmouth	43.0%	54%	\$24,078
Carleton	42.6%	64%	\$31,718
Wesleyan	39.6%	43%	\$20,535
Brandeis	38.9%	83%	\$35,147
Brown	36.8%	48%	\$25,028
Tufts	23.8%	41%	\$31,630
<b>Mean</b>	<b>45.7%</b>	<b>66%</b>	<b>\$27,149</b>
<b>Wesleyan rank (of 16)</b>	<b>13</b>	<b>15</b>	<b>12</b>

Wesleyan has the 13<sup>th</sup> lowest discount rate of peer institutions; tuition and fees is 5<sup>th</sup> highest

The IPEDS variable on awards is designed to capture the percent of undergraduates who are not receiving some sort of direct aid; this suggests Wesleyan has more students who pay full price than others

The last variable only includes students who receive aid, and Wesleyan is able to lower the price below that of most peers if the student is receiving aid

Overall, a complicated picture of price and aid.

# Faculty Composition, 2022 per IPEDS

	T/TT	NTT	Part-time
Trinity (CT)	49%	33%	18%
Tufts	31%	31%	38%
Wesleyan	61%	29%	10%
Wellesley	50%	27%	23%
Mt. Holyoke	63%	25%	13%
Swarthmore	67%	25%	8%
Brandeis	48%	24%	28%
Oberlin	63%	23%	14%
Amherst	72%	23%	5%
Bryn Mawr	57%	23%	21%
Smith	61%	18%	21%
Brown	67%	18%	15%
Pomona	61%	18%	21%
Carleton	63%	16%	21%
Williams	65%	13%	22%
Dartmouth	68%	13%	19%
<b>Mean</b>	<b>59%</b>	<b>22%</b>	<b>19%</b>
<b>Wesleyan rank (of 16)</b>	<b>9</b>	<b>3</b>	<b>14</b>

Wesleyan is in the middle in the use of tenure/tenure-track faculty among peers

Wesleyan uses more non-tenure track (NTT) faculty than most peer institutions

Wesleyan uses fewer part-time faculty than most peers

# Faculty Composition with Graduate Teaching Assistants Added IPEDS, 2022

	T/TT	NTT	Part-time	Grad Teaching
Dartmouth	45%	9%	13%	34%
Brandeis	33%	16%	20%	31%
Brown	47%	12%	10%	31%
Tufts	24%	23%	28%	25%
<b>Wesleyan</b>	<b>51%</b>	<b>24%</b>	<b>8%</b>	<b>16%</b>
Smith	56%	17%	19%	7%
Trinity (CT)	49%	33%	18%	0%
Wellesley	50%	27%	23%	0%
Mt. Holyoke	63%	25%	13%	0%
Swarthmore	67%	25%	8%	0%
Oberlin	63%	23%	14%	0%
Amherst	72%	23%	5%	0%
Bryn Mawr	57%	23%	21%	0%
Pomona	61%	18%	21%	0%
Carleton	63%	16%	21%	0%
Williams	65%	13%	22%	0%
<b>Mean</b>	<b>54%</b>	<b>20%</b>	<b>17%</b>	<b>9%</b>
<b>Wesleyan rank (of 16)</b>	<b>10</b>	<b>5</b>	<b>15</b>	<b>5</b>

Only 6 of the 16 institutions report using graduate teaching assistants.

At Wesleyan, in terms of headcount, graduate teaching assistants are 1/6<sup>th</sup> of all the people who teach classes.

## 2021 Graduation and Pell Rates (% of Undergrads with a Pell Grant) of Wesleyan and peers, per IPEDS and Common Data Set for Wesleyan

Institution Name	4-year rate	6-year rate	Pell
Pomona	89%	93%	21%
Amherst	88%	95%	25%
Carleton	88%	92%	14%
Tufts	88%	94%	12%
<b>Wesleyan</b>	<b>88%</b>	<b>92%</b>	<b>17%</b>
Williams	88%	95%	22%
Dartmouth	87%	95%	17%
Swarthmore	86%	94%	22%
Wellesley	84%	91%	22%
Brown	83%	96%	14%
Smith	83%	89%	22%
Brandeis	81%	87%	16%
Mt. Holyoke	79%	83%	22%
Trinity (CT)	79%	83%	14%
Bryn Mawr	77%	84%	16%
Oberlin	76%	86%	9%
<b>Mean</b>	<b>83.7%</b>	<b>90.5%</b>	<b>17.9%</b>
<b>Wesleyan rank (of 16)</b>	<b>2</b>	<b>8</b>	<b>8</b>

Wesleyan has the 2<sup>nd</sup> highest 4-year graduate rate at 88%, but this is tied with 4 other institutions.

All of these graduate rates are very high, which is exemplary

The Pell rate for Wesleyan at 17% is in the middle of the group; overall, these Pell rates are much lower than for public institutions

## **Other Metrics**

- **Athletics (Go Cardinals)**
- **Class Size**
- **Degrees Conferred**
- **Graduation Rates**

# 2022 Athletic Participation

Source: Equity in Athletics Disclosure Act

<https://ope.ed.gov/athletics/>

	Men	Women	Total
Baseball	41	0	41
Basketball	21	17	38
All Track	99	91	190
Field Hockey	0	27	27
Football	91	0	91
Golf	12	8	20
Ice Hockey	30	26	56
Lacrosse	55	35	90
Rowing	33	35	68
Soccer	31	35	66
Softball	0	13	13
Squash	15	11	26
Swimming	38	36	74
Tennis	9	12	21
Volleyball	0	22	22
Wrestling	32	0	32
<b>Total Participants</b>	<b>507</b>	<b>368</b>	<b>875</b>
<b>Unduplicated Headcount</b>	<b>428</b>	<b>316</b>	<b>744</b>
<b>All Undergraduates</b>	<b>1,411</b>	<b>1,821</b>	<b>3,232</b>
<b>Percent of All students</b>	<b>30.3%</b>	<b>17.4%</b>	<b>23.0%</b>

The high percentage of students who participate in athletics is common at Division III athletic programs

Football drives a lot of the result in terms of the higher men's participation rate

There are 26 total sports listed here; Wesleyan claims to offer 30 sports, as they count track (indoor, outdoor) several times

# 2022 Salaries of Coaches at Wesleyan

Source: Equity in Athletics Disclosure Act

<b>Head coaches</b>	Men	Women
Average annual salary per head coach (n=14 for both)	\$77,383	\$66,596
Average annual salary per FTE head coach (# of FTE: 8/15/8.55)	\$132,928	\$109,046
<b>Assistant Coaches</b>	Men	Women
Average annual salary per Assistant coach (N=33/26)	\$12,593	\$6,695
Average annual salary per FTE asst coach (N=12.83/9.29)	\$32,391	\$18,737

## Overall Expense Breakdown of Athletic Expenses, 2022

### Athletic expenses are only 3% of total Wesleyan expenses

Source: Equity in Athletics Disclosure Act

	Men	Women	Total
Basketball	\$283,596	\$234,788	\$518,384
Football	\$718,959	0	\$718,959
All Other sports (11 men, 12 women)	\$2,432,397	\$2,276,483	\$4,708,880
Not allocated by sport (admin)			\$2,337,600
<b>Total Athletic Expenses</b>			<b>\$8,283,823</b>
<b>Total 2022 Wesleyan Expenses</b>			<b>\$250,824,000</b>
<b>Percent of expenses to athletics</b>			<b>3.3%</b>
<b>All other sports average</b>	<b>\$221,127</b>	<b>\$189,707</b>	

The difference in spending between men's and women's sports is driven in part by football. However, even in non-football sports, the average spent is higher on men's sports than women's sports.



# Another Breakdown of the \$8.2 Million in Athletic Expenses

Source: Equity in Athletics Disclosure Act

	Men	Women	Total
Total of Head Coaches' Salaries	\$1,083,362	\$932,344	\$2,015,706
Total of Assistant Coaches' Salaries	\$415,568	\$174,070	\$589,638
<b>Total Salaries</b>	<b>\$1,498,930</b>	<b>\$1,106,414</b>	<b>\$2,605,344</b>
Athletically related student aid	\$0	\$0	\$0
Recruiting expenses	\$46,896	\$33,195	\$80,091
Operating (game-day) expenses	\$753,107	\$617,163	\$1,370,270
Other team expenses	\$1,136,018	\$754,499	\$1,890,517
<b>Total Expenses for Teams</b>	<b>\$3,434,951</b>	<b>\$2,511,271</b>	<b>\$5,946,222</b>
Not allocated by sport (admin)			\$2,337,600
<b>Grand Total</b>			<b>\$8,283,822</b>
	Men	Women	
Spending per athlete	\$8,026	\$7,947	
Spending per sport	\$264,227	\$193,175	

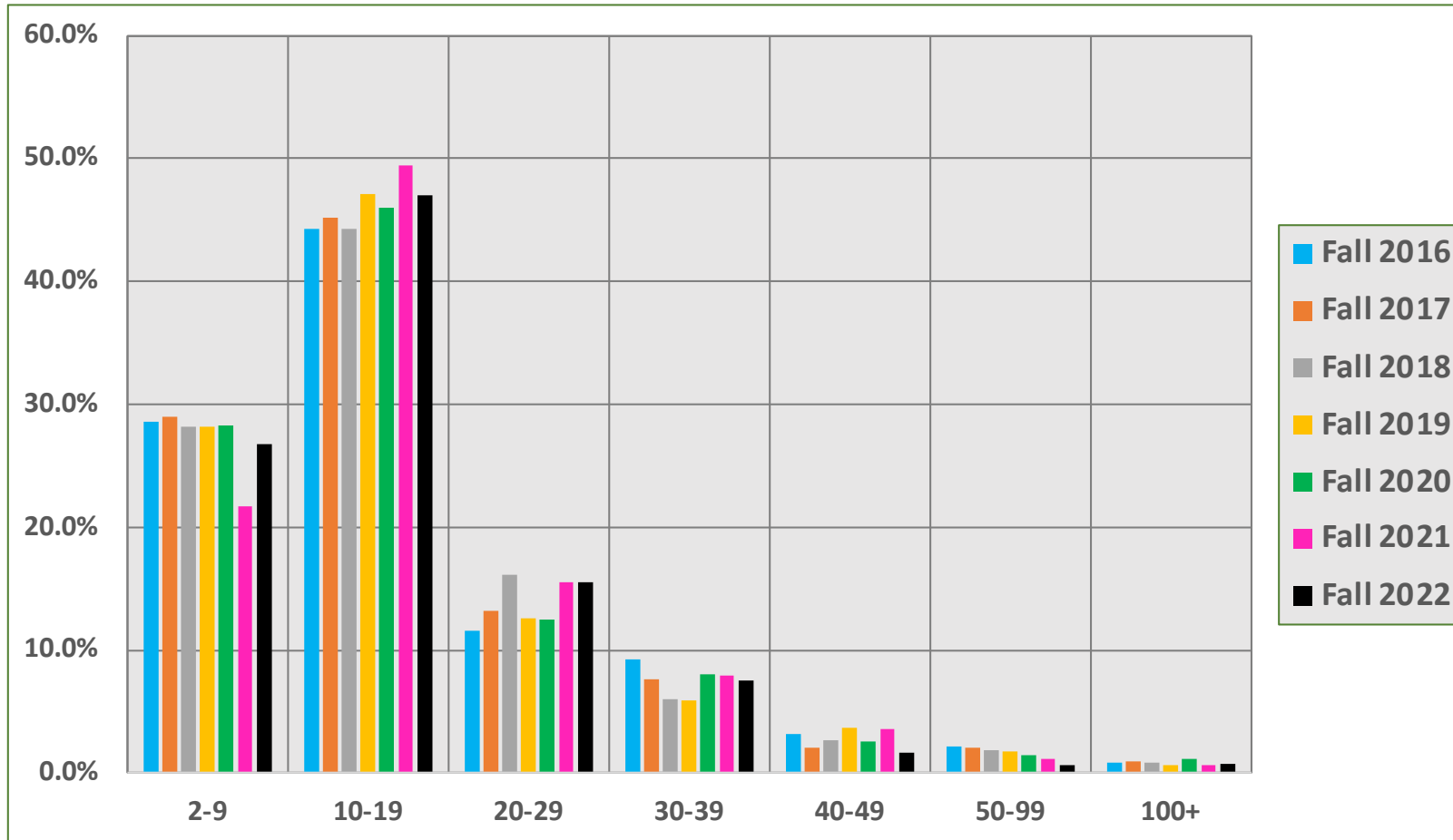
# Class Size: Number and Percent of Classes with a Specified Number of Students per Common Data Sets

# of sections	2-9	10-19	20-29	30-39	40-49	50-99	100+	Total
Fall 2016	197	305	80	64	22	15	6	689
Fall 2017	209	326	95	55	15	15	7	722
Fall 2018	201	316	115	43	19	13	6	713
Fall 2019	206	344	92	43	27	13	5	730
Fall 2020	196	319	87	56	18	10	8	694
Fall 2021	164	373	117	60	27	9	5	755
Fall 2022	203	356	118	57	13	5	6	758
% distribution	2-9	10-19	20-29	30-39	40-49	50-99	100+	Total
Fall 2016	28.6%	44.3%	11.6%	9.3%	3.2%	2.2%	0.9%	100.0%
Fall 2017	28.9%	45.2%	13.2%	7.6%	2.1%	2.1%	1.0%	100.0%
Fall 2018	28.2%	44.3%	16.1%	6.0%	2.7%	1.8%	0.8%	100.0%
Fall 2019	28.2%	47.1%	12.6%	5.9%	3.7%	1.8%	0.7%	100.0%
Fall 2020	28.2%	46.0%	12.5%	8.1%	2.6%	1.4%	1.2%	100.0%
Fall 2021	21.7%	49.4%	15.5%	7.9%	3.6%	1.2%	0.7%	100.0%
Fall 2022	26.8%	47.0%	15.6%	7.5%	1.7%	0.7%	0.8%	100.0%

# Class Size Graphically

## Percent of sections with a specified number of students

Source: Common Data Set



# Graduation and Retention Rates

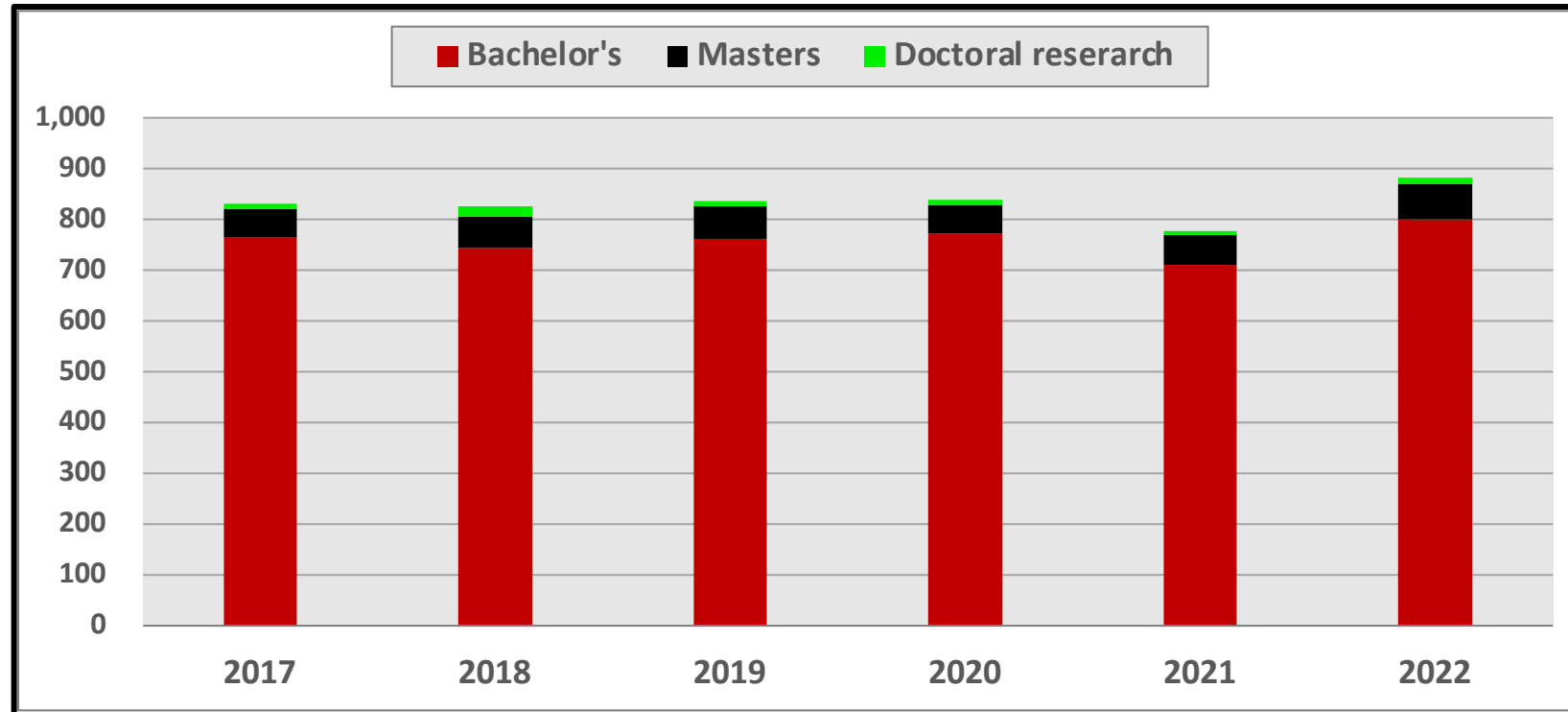
Sources: Common data set and Office of Institutional Research

	Finish in 4 years	Finish in 5 year	Finish in 6 years	6-Year Rate
Start fall 2019 (per website)	81.0%			
Start fall 2018 (per website)	81.0%			
Start fall 2017 (per website)	81.0%			92.0%
Start fall 2016	89.1%	3.4%	0.6%	93.2%
Start fall 2015	85.6%	4.4%	1.1%	91.0%
Start fall 2014	86.5%	4.0%	0.4%	90.9%
Start fall 2013	88.0%	3.0%	0.7%	91.6%
Start fall 2012	85.4%	3.6%	0.4%	89.4%
Start fall 2011	84.8%	4.3%	1.1%	90.2%

One-Year retention rate	
Start fall 21 back fall 22	95.38%
Start fall 20 back fall 21	94.58%
Start fall 19 back fall 20	87.42%
Start fall 18 back fall 19	97.00%
Start fall 17 back fall 18	96.00%
Start fall 16 back fall 17	94.96%

# Degrees Conferred

Source: Common Data Sets



	2017	2018	2019	2020	2021	2022
Bachelor's	764	745	763	774	710	801
Masters	58	62	63	55	59	70
Doctoral research	10	20	11	10	9	12
<b>Total Degrees Conferred</b>	<b>832</b>	<b>827</b>	<b>837</b>	<b>839</b>	<b>778</b>	<b>883</b>