

TEMPLE UNIVERSITY

2021-2022 Budget Presentation
to the General Assembly
of the Commonwealth of Pennsylvania



Appropriations Committees
Opening Statement

The last 12 months have been unlike any other in my 45-year history with Temple University. But amid all of the changes brought by the pandemic, one point has remained constant: The valuable and successful partnership between the Commonwealth of Pennsylvania and Temple University.

Last year, knowing how difficult it would be to make plans for the future, you approved Temple's Commonwealth Appropriation early and for a full 12 months.

I can't tell you how vital that vote was as we planned for the academic year. At a time when changes came at us nearly every day, your decision provided an island of stability. As a result, our Board of Trustees agreed to not increase base tuition-- for graduate and undergraduate students. It was a decision we were able to make early. Our students and their families were deeply grateful.

We matched your decision with strong fiscal actions of our own. We tightened our belts across the board, enacted a hiring freeze, reduced departmental budgets by 5 percent, eliminated salary increases for non-union employees and reduced the salaries of our highest paid workers. These actions and others resulted in more than \$50 million in budget savings, and have been essential to Temple's stability and overall financial health.

All that said, we suffered losses in revenue from housing, parking, rentals and other areas. Our request for a small increase in Commonwealth support is intended to help us moderate the impact of the pandemic, and ensure our ability to fulfill our mission for the benefit of the Commonwealth.

Having acknowledged your leadership role last year, I also want to take a moment to thank Gov. Tom Wolf for the work he and his administration have done to support us during this time. Let me give you one example. Early in the pandemic, our universities went into lockdown, and were

completely virtual. While we were able to quickly switch to online education for the vast majority of our students, those studying to become doctors were caught in a bind. Many medical students were in the midst of their two-year rotations and needed to complete their studies. We worked with the state Department of Education, and the office of the governor, to get an exception for these students and the governor agreed.

Allowing medical students to continue their studies not only made it possible for them to complete their rotations, it also brought additional help to the front lines in the fight against COVID-19. That decision also meant there would be no interruption in the flow of new doctors graduating and joining the ranks of devoted front-line workers.

That's just one example of how all of us have come together to fight the pandemic, while keeping our students safe and continuing on their paths to graduation.

Speaking of keeping our communities safe, I want to note that this spring we are conducting up to 20,000 COVID-19 tests per week among students, faculty and staff. Our ability to conduct these tests is the direct result of a new testing facility at our Lewis Katz School of Medicine. By using new technology at the medical school's lab, the unit cost of testing dropped dramatically, from more than \$100 to approximately \$12.50 per test. This will allow Temple to save about \$26 million over the course of this semester, while conducting an aggressive testing plan.

Let me give you two more examples of how Temple has stepped up.

Approximately one year ago, when Philadelphia was in the grip of treating the first wave of COVID-19 patients, we agreed to let the city use our basketball arena to set up a surge hospital. Temple's Liacouras Center was transformed in a matter of weeks into a medical facility that—had patient load risen to the levels seen in New York or Los Angeles—would have been a lifesaver for many. It is fortunate that the city's hospitals were able to absorb much of the first wave. Even so, medical leaders from across the country studied our work and learned a great deal through the experience. Those lessons are now being used at makeshift facilities around the nation.

More recently, Temple Health partnered with Penn Medicine under the guidance of the Commonwealth's Department of Human Services, as part of a statewide effort to provide COVID-19 tests for, and support the healthcare needs of, seniors in group facilities. Penn Medicine and Temple worked with the staff and residents in roughly 300 skilled nursing facilities, assisted living and personal care homes in Bucks, Chester, Lancaster and Philadelphia counties. As of January, through this partnership, Temple Health served about 2,500 residents and staff of long-term care facilities and responded to more than 100 facility outbreaks. Their efforts helped reduce the morbidity rates at these homes, gave their care staff valuable help during outbreaks, and built a solid relationship we hope will continue as vaccinations become available to staff and residents alike.

Through all this, we have not forgotten our mission as a university. Temple has remained laser-focused on our students. Even in the most challenging days, Temple has stayed true to its mission: to keep our costs low and find every way possible for our students to stay on track, regardless of the circumstances.

With a firm commitment to our mission, and the help of partners like you, our reality is this: While COVID-19 has presented us with serious challenges, Temple remains strong and stable. I want to credit our dedicated faculty and devoted staff, who have worked tirelessly to ensure our students continue their progress toward graduation. The Temple University community is stellar, and its members have earned my thanks and yours.

In conclusion, I want you to know how much I have valued our relationship over my 45 years at Temple. Your thoughtful care and concern for public higher education in Pennsylvania is clear.

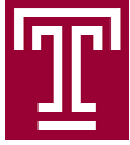
As I think about the many times I've come to Harrisburg or talked with you on our campus or by phone, I have come to realize that I don't say "thank you" often enough. You have very difficult jobs. As a university president, I know what it's like to make hard choices with limited resources. For all those times when you have supported Temple and its students, I want to say a sincere "thank you" on their behalf and mine.

And for those times when you've challenged us, I want to also say, "Thank you." At heart, I am an academic, and if you know anything about academics, you know we love to debate. There is an old joke, that if you put two academics in a room, they will express three different opinions. At least.

Your questions have prompted me and my team at Temple to think deeply about how we serve the residents of the Commonwealth. Temple is a better university as a result.

As usual, we have a lot more information we can share. I look forward to our final exchanges today.

Thank you.



Temple University
2021-22 Commonwealth Appropriation Request
(\$000's)

	2020-21 Anticipated Appropriation	2021-22 Requested Appropriation	Increase over the 2020-21 Anticipated Appropriation	
			\$	%
Line 1. Educational and General	\$158,206	\$162,952	\$4,746	3.0%
Line 2. State Medical Assistance Funding (PA DHS)	\$6,210	\$6,396	\$186	3.0%
Subtotal	\$164,416	\$169,348	\$4,932	3.0%
Line 3. COVID tracing and testing		\$5,000	\$5,000	-
TOTAL	\$164,416	\$174,348	\$9,932	6.0%



Temple University in 2021

**Statement for the Appropriations Committees of the
Commonwealth**

President Richard M. Englert

“Temple has remained laser focused on our students. Even in the most challenging days, Temple has stayed true to its mission: to keep our costs low, and find every way possible for our students to stay on track, regardless of the circumstances.”

“With a firm commitment to our mission, and the help of partners like you, our reality is this: While COVID-19 has presented us with serious challenges, Temple remains strong and stable.”

— President Richard M. Englert

1. Freezing tuition for the second year in a row



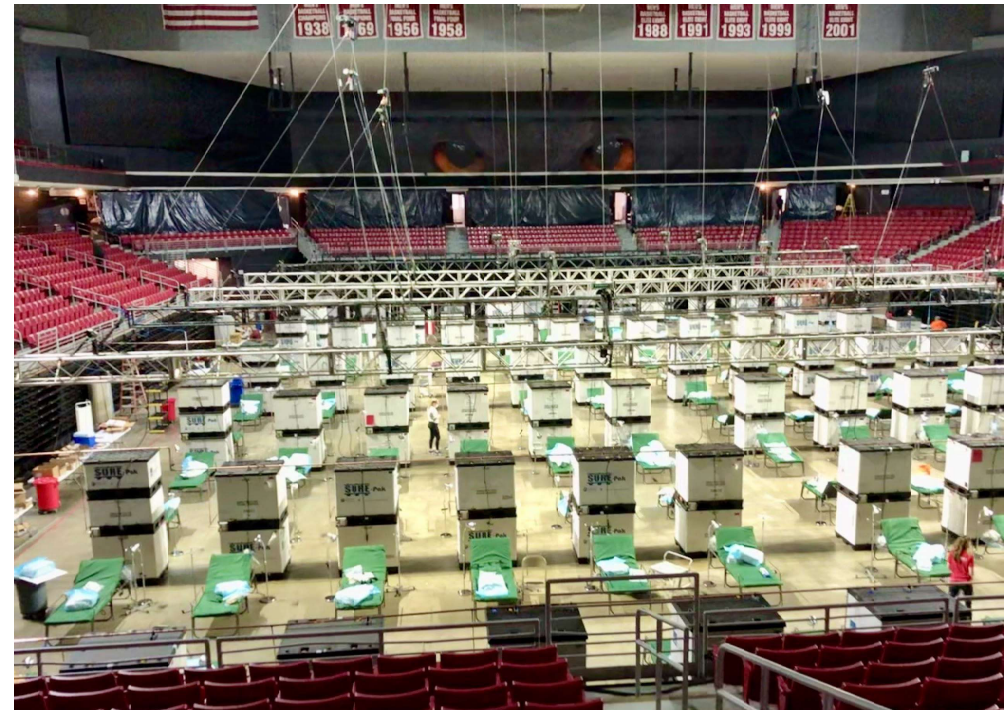
- **We froze base tuition** for graduate and undergraduate students this academic year.
- Temple was among the first schools to get CARES ACT dollars to students.
- We made strategic cuts across the university: enacted a hiring freeze, reduced budgets by 5%, eliminated salary increases for non-union employees and cut the salaries of our highest paid workers.
- Our actions resulted in roughly \$50 million in budget savings, and have been essential to Temple's stability and overall financial health.



2. COVID-19 efforts



- **Temple has stepped up** to dramatically make a difference in the fight against COVID-19
- Temple's basketball arena, the Liacouras Center was transformed in a matter of weeks into a surge hospital facility in 2020.
- Arena now used as needed as a vaccination site for North Philadelphia elderly residents.



3. Pioneered a COVID-19 testing lab



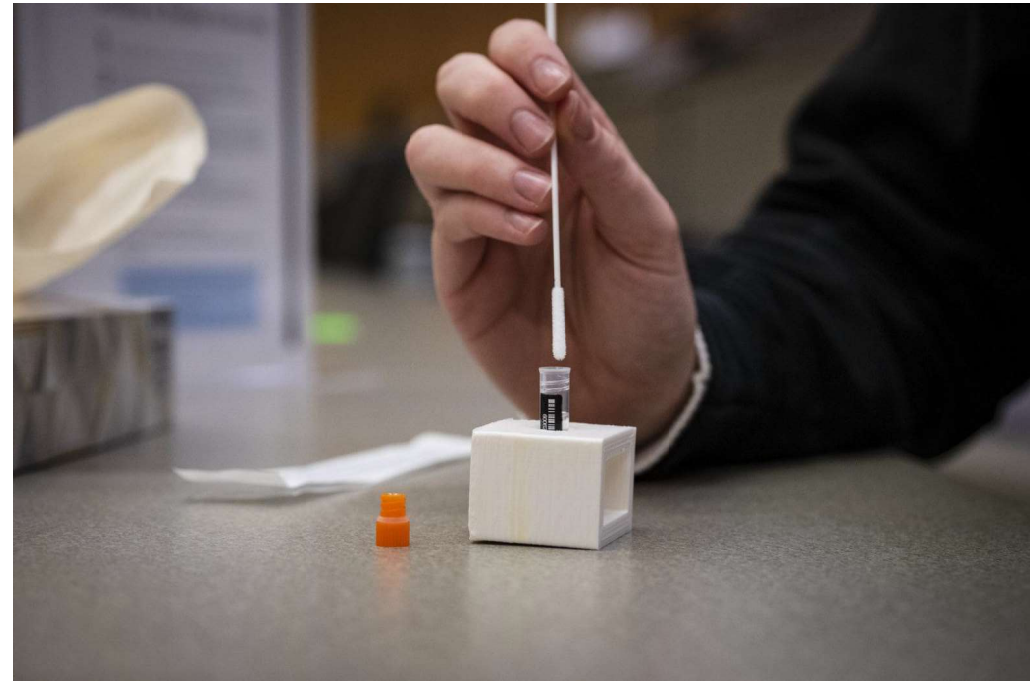
- **Established a new \$500k testing facility at the Lewis Katz School of Medicine.**
- Equipped to run up to 20,000 COVID-19 tests per week among students, faculty and staff.
- The unit cost of testing dropped from over \$100 per test to approximately \$12.50 per test. This will allow Temple to save about \$26 million over the course of this semester.



4. Reaching out to help the elderly



- **Temple joined forces with Penn Medicine** to work with the staff and residents in more than 300 skilled nursing facilities, assisted living and personal care homes in Bucks, Chester, Lancaster and Philadelphia counties.
- As of January, through this partnership, Temple Health served about 2,500 residents and staff of long-term care facilities and responded to more than 100 facility outbreaks.



The Commonwealth and Temple

Creating a better tomorrow for
Pennsylvania's residents

For more than five decades, the successful partnership between the Commonwealth of Pennsylvania and Temple University has assured the availability of a quality, affordable education to state residents.

“As a university president, I know what it’s like to make hard choices with limited resources.

“For all those times when you have supported Temple and its students, I want to say a sincere ‘thank you’ on their behalf and mine.”

— **President Richard M. Englert**

