

# FY2010 Budget Plan

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President  
October 29, 2009**



# Context of Budget Reduction Plan

- **Reduction in state funds since November 2008**
  - \$23 million or 25% of state funds
  - Appropriations at 1995-96 levels
- **Impact on overall UNI budget**
  - More dependent on state appropriations, larger impact on total budget
- **Timing of budget reversion**
  - One-third of year passed

# Strategies Considered

- **Board of Regents Directive**
  - Temporary Salary Reductions
  - Temporary Layoffs
  - Benefit revisions—temporary and permanent
  - Tuition surcharge for spring semester 2010
  - Postponing non-essential deferred maintenance/repairs
  - Refocusing efforts, including program eliminations
  - Permanent layoffs
  - Selling non-essential assets
- **Others (ARRA funds; redirection of higher than budgeted tuition revenue; program reductions)**

# Campus Involvement

- Invited and received input from individuals on/off campus
- Met with Campus Advisory Group
- Discussed budget reduction issue at two town hall meetings
- Held separate meetings with:
  - Northern Iowa Student Government leaders
  - Faculty Senate and United Faculty leaders
  - Professional and Scientific Council
  - Supervisory and Confidential Council leaders
  - State and local AFSCME leaders
  - Academic department heads
  - Deans
  - UNI Foundation and Alumni Association Boards

# General Strategy for \$8.8 million Reduction

- **Special line-item units (e.g., IMSEP) will handle own 10% reductions (\$.4 million)**
- **Focus on both FY10 budget reduction and FY11 budget**
- **Focus on fairness of impact on employee groups**
- **Protect financial aid and increase need-based assistance**
- **Mix of Board of Regents' suggested actions, centrally administered actions and unit-based management of permanent reductions**

# Strategies Proposed FY10-Permanent

- **Use unbudgeted tuition revenue**
  - FY10 budget based on enrollment of 12,700 (13,080)
  - Generates \$2.7 million
- **Reallocations**
  - Permanent budget reductions across university
  - Generates \$1 million
  - Could lead to layoffs
- **Impact of both actions**
  - \$3.7 million or 44% of budget reduction
  - Helps address FY11 budget challenge

# Strategies Proposed FY10-Temporary

- **Redirect a portion of the ARRA funds**
  - Generates \$1 million
- **Temporary reduction in TIAA-CREF contributions**
  - From 10% of salary to 8%
  - Generates about \$1 million for FY10

# Strategies Proposed FY10-Temporary (Continued)

- **Temporary layoffs**
  - FY10 application only
  - Graduated plan based on salary
  - Generates \$1.8 million
  - All employee groups participate
- **Tuition surcharge**
  - \$100 per full-time student for spring semester
  - Financial aid set-aside to be earmarked for resident, need-based awards
  - Generates \$1 million

# Strategies Proposed FY11

- **Continuation of temporary reduction in TIAA-CREF contributions until June 30, 2011**
- **Parallel, on-going actions and plans**
  - **Possibility of offering a revised ERIP**
  - **Implementation of academic program review recommendations – termination and suspension of programs**
  - **Implementation of cost-reduction and revenue-enhancement recommendations**

## Summary for FY10

<b>BUDGET STRATEGIES</b>	<b>IMPACT</b>
Use unbudgeted tuition revenue	\$2.7M
Reallocations/permanent reductions	\$1M
Redirect a portion of the ARRA funds	\$1M
Temporary reduction in TIAA-CREF contributions	\$1M
Temporary layoffs	\$1.8M
Tuition surcharge	\$1M
Special line-item reductions	\$ .4M
<b>TOTAL</b>	<b>\$8.9M</b>