General Education Fund
FY 2004

- November 2003 Expenditure Reduction of $8.5 million – reversion to state
- Higher reductions assigned to non-academic units (2.5% non-academic vs. 2.0% academic)
- Reallocation of $720,000 from non-academic to collegiate budgets
General Education Fund
FY 2004

- General Education Fund Task Force
  Established: $12 million in programmatic
  budget reductions targeted for FY 2005 -
  FY 2007

- Task Force includes faculty, staff and
  student elected leadership. Chair:
  Professor Jonathan Carlson, College of
  Law

- Report to President: End of April 2004
General Education Fund
FY 2004

- March 2004 expenditure reduction of $3 million

- Lower than anticipated growth in tuition and indirect cost recoveries revenue

- Higher reductions assigned to non-academic units (.83% non-academic vs. .66% academic)
General Education Fund

FY 2004

Tuition and fee payment schedule changes: Summer 2004 – Improved cash flow in FY 2004
General Education Fund
FY 2005

- Programmatic Reductions: First-year savings from the General Education Fund Task Force recommendations
- Most savings spread over 3 years
- First-year savings (FY 2005) will be critical, but limited due to timing
General Education Fund
FY 2005
Tuition Revenue Assumptions

- Incorporate FY 2004 tuition revenue experience as baseline
- Level enrollment and constant mix using Board-approved tuition rate increases
- Board approved professional college tuition supplements
- Student Financial Aid: 17% of projected tuition revenue
General Education Fund
FY 2005
Indirect Cost Recovery Assumptions

- Incorporate FY 2004 indirect cost recovery revenue experience
- Approved indirect cost rate unchanged: 47.5%
- Increase in adjusted budget 4%
General Education Fund
FY 2005
Salary Policy

- Full payment of collective bargaining agreements

- Modeling allocation based on 1.7% average increase for non-bargaining employees (faculty and professional staff)

- Lower fringe benefit rates: $3.7 million savings
General Education Fund

Other FY 2005 Expense Issues of Concern

- COGS bargaining agreement
- Library Acquisitions inflation
- Utility Inflation – coal and natural gas prices
- Increases in property insurance premiums
- Partial restoration of building renewal budget
General Education Fund

FY 2005 and Beyond

- Additional savings from General Education Fund Task Force Recommendations
- Engage in rigorous Strategic Planning Process
- Focus on benchmarks and Strategic Planning Process for restoring faculty salary/vitality (including recruitment and retention)

Additional focus on student involvement to improve student experience