

Subject: FY 18 Budget Update - UPBC
Date: Tuesday, May 9, 2017 at 14:51:19 Eastern Daylight Time
From: Toro, Zulma R. (President CCSU)
To: Wolff, Robert (History), Leake, Margaret (LearningCtr), Bigelow, Lisa (Institutional Advancement), Casamento, Charlene (CFO), Galligan, Christopher (Institutional Advancement), Hodgson, Judy (Math), Jarmoszko, A. Tomasz (MIS), Kirby, Yvonne (Office Institutional Research & Assessment), Kruh, Brendan M. (Student), Pease, Susan (Academic Affairs), Malhas, Faris A. (Engineering, Science, and Technology), Marchese, Laura (Institutional Advancement), Martin-Troy, Kathy (Biomolecular Sciences), Nicoll-Senft, Joan (Special Education and Interventions), Tordenti, Laura (Student Affairs), Valk, Chad (InfoTechServ)
Priority: High
Attachments: Approved Reductions in 4 28 17 Spending Plan.xlsx

Dear UPBC Committee:

The financial outlook for the State has become more challenging, with fiscal projections for FY 2018 and FY 2019 most recently projected at \$2 B and \$2.2 B. The sharp decline will continue to have an unfavorable impact on our appropriation and will result in additional reductions beyond what was assumed under the Governor's proposed budget. It will be at least several weeks or more before our final FY 18 and 19 appropriation is known, however under any scenario at least \$3.4 M in reductions are necessary to balance the budget, as well as fund a proposed \$1.9M in critical investments. While I am certain that we will experience additional reductions and may need to reconsider critical investments, I felt it was important to share with you the attached Proposed Funding Adjustments that underlie our current FY 18 Spending Plan.

The UPBC's recommendations had a significant impact on the following decisions which were made related to the Proposed FY 2018 Budget:

- ❖ The FY 18 proposed budget avoids across the board proportional reductions as exemplified by:
 - Academic Affairs share of the reduction being 17.28% compared with 59.49% had the reduction been allocated proportionately.
 - Administrative Affairs fixed account has been reduced by \$1.5M based on a review of historical expenditures in the fixed account.
 - Athletics base budget has been reduced by \$500K.
- ❖ A specific reduction has been implemented which specifically targets vacant positions and salary savings in most of the Divisions.
- ❖ More than \$1.3M has been budgeted to support strategic priorities such as recruitment, retention and scholarships.
- ❖ Approximately \$183,993 is set-aside to support permanent base budget adjustments rather than approving on an annual basis.
- ❖ Approximately \$125,024 to annualize FY17 Minimum Wage increases aimed at preserving student worker funding.

The decisions I am sharing with you today, and expected future steps that we will need to take to

manage additional anticipated FY 2018 reductions will be based on the same framework. Additionally, I look forward to working together to continue to improve upon the FY 2018 budget process, which will increase transparency, link funding to strategic priorities and reallocate funding to continue to maximize our resources to ensure we have a sustainable and stable organization.

In the near future, I will be communicating decisions related to positions, capital equipment and one-time requests.

I want to thank Dr. Robert Wolff for his leadership in this critical process and each of you for the additional time, effort and commitment to dig deeper into the budgets to facilitate increased transparency and greater understanding of expenditures.

Sincerely,

Zulma Toro
President

Approved Reductions in 4/28/17 Spending Plan

SUMMARY BY DIVISION																	
Proposed Reductions	Description	Expense Reduction/Revenue Increase	Fringe	Total Savings	Comment	Academic Affairs	Athletics	CAO Facilities	CTO Fiscal Affairs	CIO	HR	Int'l Advancem	Office of Diversity	President	Student Affairs	University	Total
Academic Affairs	Reduce Reassign Time	\$ 400,000	\$ 120,000	\$ 520,000	Full / Spring Lecturers	\$ (520,000)											\$ (520,000)
Facilities	Reduce BSRXV05 (Physical Plant)	\$ 1,500,000		\$ 1,500,000				\$ (1,500,000)									\$ (1,500,000)
Fiscal Division	Reduce BSRXV06 (Financial)	\$ 150,000		\$ 150,000					\$ (150,000)								\$ (150,000)
Athletics	Reduce Expenditures	\$ 500,000		\$ 500,000	IA is budgeted to provide DRS&OE support of \$77,777 for FY 2017 and in FY 2016 a profit of \$100K was made in self-supporting account. This reduction does not impact the University's current support of salary/fringe. These funds will be utilized in support of Advertising/Marketing.		\$ (500,000)										\$ (500,000)
Institutional Advancement	Eliminate Other Expense - University Support for Continuing Education (Banner Index C&ET10)	\$ 77,777		\$ 77,777								\$ (77,777)					\$ (77,777)
Institutional Advancement	Eliminate Other Expense - University Support for ITBD (Banner Index C&EY10)	\$ 22,590		\$ 22,590								\$ (22,590)					\$ (22,590)
President	Eliminate Other Expense - University Support for Government Relations (Banner Index G&RE10)	\$ 29,270		\$ 29,270	Reallocate \$75K in University funds which currently support CTE scholarships to need based scholarships, which can be provided on a multi-year basis. In FY 2017 CTE has a budget of \$564K in support travel above scholarships.									\$ (29,270)			\$ (29,270)
Academic Affairs	Reduce university funded travel above scholarships	\$ 75,000		\$ 75,000		\$ (75,000)											\$ (75,000)
University	Reallocate University Support for Venture Machine Scholarship from Banner Index C&CA330 to Admissions Scholarships	\$ 65,000		\$ 65,000	These were funds used to replace funds lost per BR006-47 to Student Activities											\$ (65,000)	\$ (65,000)
University	Reduce University contingency from \$300K to \$229,692	\$ 70,308		\$ 70,308	Reduced University Contingency - CFC005											\$ (70,308)	\$ (70,308)
University	Reduce academic candidate reimbursement from \$24K to \$14K	\$ 10,000		\$ 10,000	Banner Index BSRXV07 -- FY16 Actual Exp. \$8,830; FY17 YTD \$3,967											\$ (10,000)	\$ (10,000)
University	Reduce candidate reimbursement from \$96 to \$90K	\$ 46,000		\$ 46,000	Banner Index ACA&P06 -- FY16 Actual Exp.\$44,153; FY17 YTD \$2,777											\$ (46,000)	\$ (46,000)
University	Increase Faculty Use Rates/Reduce Room Charge Waivers	\$ 75,000		\$ 75,000	Estimate											\$ (75,000)	\$ (75,000)
Chief Administrative Office	assumes salary savings or vacant positions being utilized	\$ 140,824	\$ 42,247	\$ 183,071				\$ (183,071)									\$ (183,071)
Chief Financial Office	assumes salary savings or vacant positions being utilized	\$ 19,323	\$ 5,797	\$ 25,120					\$ (25,120)								\$ (25,120)
Chief Information Office	assumes salary savings or vacant positions being utilized	\$ 23,681	\$ 7,104	\$ 30,785						\$ (30,785)							\$ (30,785)
Human Resource	assumes salary savings or vacant positions being utilized	\$ 4,816	\$ 1,445	\$ 6,261							\$ (6,261)						\$ (6,261)
Int'l. Advancement	assumes salary savings or vacant positions being utilized	\$ 11,697	\$ 3,509	\$ 15,206								\$ (15,206)					\$ (15,206)
President	assumes salary savings or vacant positions being utilized	\$ 8,027	\$ 2,408	\$ 10,436										\$ (10,436)			\$ (10,436)
Student Affairs	assumes salary savings or vacant positions being utilized	\$ 23,910	\$ 7,173	\$ 31,083											\$ (31,083)		\$ (31,083)
Subtotal Reductions/Savings		\$ 3,253,384	\$ 189,684	\$ 3,443,068		\$ (595,600)	\$ (500,000)	\$ (1,063,071)	\$ (175,120)	\$ (30,785)	\$ (6,261)	\$ (15,253)	-	\$ (29,796)	\$ (3,1083)	\$ (266,248)	\$ (4,422,686)
						17.28%	14.52%	48.89%	5.09%	0.89%	0.18%	3.36%	0.00%	1.15%	0.90%	77.4%	100.00%

\$ (595,000)	\$ (590,000)	\$ (1,063,071)	\$ (175,120)	\$ (30,785)	\$ (6,261)	\$ (115,533)	\$ -	\$ (39,706)	\$ (31,083)	\$ (266,508)	\$ (3,443,068)
17.28%	14.52%	48.89%	5.09%	0.89%	0.18%	3.36%	0.0%	1.15%	0.30%	7.74%	100.00%