

2010/11 Budget Update ECU Board of Trustees

7/22/10

Agenda

1. Budget Reductions
 - A. Context - 3 year History
 - B. 2010/11 Budget Reduction Calculation
 - C. 2010/11 Reduction Plan
2. 2010/11 New Funding - Sources and Uses
 - A. Enrollment Growth Funding
 - B. State Appropriation
 - C. Campus Based Tuition Increases

Budget Reductions

- A. Context - 3 year History
- B. 2010/11 Budget Reduction Calculation
- C. 2010/11 Reduction Plan

Context - 3 Year Summary of Budget Reductions

	<u>Permanent</u>	<u>One-Time</u>
2008/09	\$ 2.5M	\$40.0M
2009/10	\$19.1M	\$22.6M*
2010/11	<u>\$ 13.7M</u>	<u>\$ 8.4M**</u>
Totals	<u>\$35.3M</u>	<u>\$71.0M</u>

ECU 3 Year Grand Total \$106.3M

* Expect \$8M of carry forward to be approved by OSBM

**Projected at 3%

2010/11 ECU Permanent Budget Reduction Calculation

Base Reduction	\$10.8M
Continuation Budget Reduction	<u>2.9M</u>
ECU Total Permanent Reduction	\$13.7M

2010/11 ECU One-Time Budget Reduction Calculation

Authorized State Appropriation	\$ 288M
OSBM Reversion Rate	<u>x .03*</u>
ECU Total One-Time Reduction	\$ 8.4M

*Estimate for planning purposes

2010/11 ECU Total Budget Reduction Calculation

ECU Total Permanent Reductions	\$13.7M
ECU Total One-Time Reduction*	<u>\$ 8.4M</u>
ECU Total Reductions	\$22.1M

* Estimated at 3%

2010/11

ECU Permanent Reduction Plan

ECU Permanent Savings	\$5.0M
ECU Supplemental Tuition	<u>5.8M</u>
Total	\$10.8M

2010/11

ECU New Funding Sources and Uses

- A. Enrollment Growth Funding
- B. State Appropriation
- C. Campus Based Tuition Increases

2010/11 ECU Sources

Enrollment Growth Funding

Model Generated Need

• Faculty Salaries*	\$6.2M
• Other Academic Support	2.8M
• Library	1.0M
• General Institutional Support	<u>4.9M</u>
Total Model Generated Need	\$14.9M
• Less: Total Expected Tuition	<u>2.6M</u>
ECU New State Appropriation	\$12.3M

*78.11 faculty positions at \$79,935/position

2010/11 ECU Uses

Enrollment Growth Funding

- Enrollment Growth
 - Salaries and benefits for ~78 new faculty positions
 - Operating support for colleges
 - Library purchases
- Strategic Academic Initiatives (TBD)
 - STEM
 - Outreach Scholars
 - Health Disparities
 - Metabolic Program
 - Honors College

2010/11 ECU Uses

Enrollment Growth (cont'd)

- Infrastructure
 - Enrollment management operations
 - Financial services, human resources, information technology, campus operations, etc.
 - Research business functions
- Institutional Mandates
 - Campus safety
 - Enterprise risk management
 - SACS & assessment office
- Structural Corrections

2010/11 ECU Sources

Campus Based Tuition Increases*

Undergraduate	\$ 3.8M
Graduate	\$ 0.6M
Professional	<u>\$ 0.1M</u>
ECU TOTAL	\$ 4.5M

* Projected

2010/11 ECU Sources Supplemental Tuition Increases*

Undergraduate	\$ 6.9M
Graduate	\$ 0.2M
Professional	<u>\$ 0.2M</u>
ECU TOTAL	\$ 7.3M

* Projected

2010/11 ECU Uses

Campus Based Tuition Increases

- Financial aid to students (All)
- Student retention Efforts (UG)
- Academic infrastructure support costs (Prof)

2010/11 ECU Uses

Supplemental Tuition Increases

- Financial aid to students (All)
- Offset/Prevent Academic Reductions (All)

2010/11 ECU Sources State Appropriation

Indigent Care Funding	\$0
Dental School Operating	\$6M

2009/10 ECU Uses State Appropriation

- Hire faculty and staff necessary to develop the academic program for the ECU School of Dental Medicine

2010/11 ECU Budget Management Guidelines

- Waiting for guidelines from State Budget Office
- ECU Budget Management Guidelines
 - No new administrative positions without Chancellor's approval
 - Prudent spending
 - Vice Chancellor oversight
 - Focus on instruction and student support
 - Spend more evenly through the year
 - Begin saving for the 2011/12 fiscal year reductions

The End

Questions?