
FY 2020 BUDGET DEVELOPMENT UPDATE

The FY 2020 budget development process reflects our commitment to a new budget model with more decentralized decision making and shared governance. The Auxiliary and Support Allocation Committee and the Executive Budget Committee (EBC) include staff, faculty and student representation. Over the winter, these committees received budget requests and evaluated these requests and the EBC submitted recommendations to President Caboni on March 15.

It has been a challenging process for both governance committees. While improvements in student retention are expected to continue, overall enrollment is expected to decline as fewer students begin postsecondary education. The new budget will include a 5 percent decline in tuition and mandatory student fees. However, the FY 2020 unrestricted Educational and General budget will be approximately \$303.3 million or 0.5 percent less than FY 2019. The EBC’s recommendations include budget reduction recommendations, and, for the most part, these recommendations will be incorporated into the next budget.

The budget reduction target is \$10,177,000 and is split \$3,409,300 (33.5%) to the colleges and \$6,767,700 (66.5%) to auxiliary/support units, based on the budget model. These will be reduction targets by college and by division to be achieved over the course of the next fiscal year. For example, decisions will be made on the use of carry forward, unbudgeted revenue, professional development, and to fill or not to fill a position. Distributions to colleges were determined in consideration of base budgets and performance metrics. Recommendations from Provost Stevens for the college reduction targets are as follows:

Gordon Ford College of Business	(\$266,058)
College of Education and Behavioral Sciences	(391,109)
Potter College of Arts and Letters	(1,253,585)
Ogden College of Science and Engineering	(859,895)
College of Health and Human Services	(638,653)
Total	(\$3,409,300)

The distribution of reductions to the auxiliary/support units has not been finalized. Given that some divisions implemented reductions exceeding 10 percent this year, an across-the-board reduction is not feasible. It will be necessary to allocate carry forward to ensure that divisions can maintain essential services and continue working toward institutional priorities.

The FY 2020 budget will include allocations for a limited number of fixed costs increases that total approximately \$1.6 million. Fixed costs increases include items such as faculty promotions, employer health insurance and contractual obligations.

The budget also will include the creation of a strategic investment fund of \$2.5 million to be funded by both new tuition revenue and from carry forward funds from FY 2018. The strategic incentive fund will provide seed money for one or two years that can be used to create, grow or enhance programs until revenue is sufficient to sustain the initiative. Emphasis will be placed on areas where enrollment growth can be achieved.

