

Date: May 4, 2010
To: Campus Community
From: University Budget Team
Re: FY2010-11 Budget Process – Recommendations for Investment

The following information is provided as an integral part of the FY2010-11 budget process and will be discussed at the upcoming public forums.

The Context

As we consider the University Budget Team's recommendations for the FY2010-11 budget, there are various factors which have influenced the budget process. These include the passage of the Tax Measures 66 and 67, the actions of the February's special legislative session and the recent projection of state revenue shortfall.

With the successful passage of the ballot measures, the legislative session in February faced a less serious gap as those measures essentially approved taxes to cover most of this biennium's revenue shortfall. The shortfall the Legislature did face was covered without resort to any additional reductions in OUS appropriations. With this in mind, and cognizant of the very significant impact of unanticipated enrollment growth, the University Budget Team has developed a set of budget recommendations which seeks to re-invest in faculty and staff to meet demand for quality services through application of investment dollars in strategic University initiatives.

The Process

To begin this process, the University Budget Team (UBT) has asked the units to review their activities in relation to the larger mission of the institution, and particularly their support role in relation to the University's strategic initiatives. After conversations with campus leadership, the University Budget Team has prepared a list of recommended investments and re-investments.

At this time, the University Budget Team continues to consult and discuss the investment proposals with campus-wide stakeholders. These stakeholders include the Faculty Senate Budget Committee, the Council of Academic Deans, the Finance and Administration Council, the Executive Committee and the campus community at large.

The Investment Proposal

Based on the initial input from campus leadership, the University Budget Team's strategic budget investments focus on the following institutional priorities:

- Continuing support for enrollment growth,
- Addressing compensation issues and other salary adjustments,
- Supporting student success with a particular focus on improving retention and the overall student experience,
- Enhancing the infrastructure, including faculty required to expand institutional resources,
- Supporting efforts to increase externally funded research, and
- Rebuilding support services capacities.

Please see the attached document for details.

The Assumptions

The proposed investments are based on the following assumptions in the FY2010-11 budget plan:

- An estimate of 3% overall enrollment growth.
- Tuition rate increases of 8% for resident undergraduate, 2% for non-resident undergraduate, 1% for both resident and non-resident graduate students.
- No further state funding reductions for the rest of the 2009-11 biennium.

If any of these assumptions change, the investment proposal may need to be modified.

The University Budget Team will review campus input and prepare a final proposal for the President's approval by the end of May.

Potential Budget Recommendations by Function FY 2010-2011					
Area	Recurring	Limited Duration	One-time	Total	Percent of Total
Academic					
Teaching	\$ 6,050,000	\$ -	\$ 1,320,000	\$ 7,370,000	43.97%
Research	\$ 1,045,780	\$ 100,000	\$ 225,000	\$ 1,370,780	8.18%
Students	\$ 3,394,187	\$ 122,027	\$ -	\$ 3,516,214	20.98%
Administration	\$ 389,967	\$ -	\$ -	\$ 389,967	2.33%
Miscellaneous	\$ 703,269	\$ -	\$ 402,419	\$ 1,105,688	6.60%
Total Academic	\$ 11,583,203	\$ 222,027	\$ 1,947,419	\$ 13,752,649	82.04%
Support					
Students	\$ 125,374	\$ -	\$ -	\$ 125,374	0.75%
Administration	\$ 1,606,718	\$ -	\$ 360,000	\$ 1,966,718	11.73%
Miscellaneous	\$ 918,142	\$ -	\$ -	\$ 918,142	5.48%
Total Support	\$ 2,650,234	\$ -	\$ 360,000	\$ 3,010,234	17.96%
Total	\$ 14,233,437	\$ 222,027	\$ 2,307,419	\$ 16,762,883	100.00%

Potential Budget Recommendations By Function
FY 2010-2011

ACADEMIC

Note: Estimated amounts for planning purpose only. Actual amounts may vary.

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Teaching						
Unit	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
All academic units				\$ 800,000	\$ 800,000	Continue to support enrollment growth from academic year 09-10
CLAS/GSE/FPA/SSW		\$ 726,104			\$ 726,104	To add or expand revenue neutral academic programs
All academic units	Restore faculty/staff salaries	\$ 2,400,000			\$ 2,400,000	To honor university commitment to address compensation issues as discussed by the President
All academic units	Department Chair compensation	\$ 600,000			\$ 600,000	To adequately and consistently support department chairs to perform PSU academic mission
OAA	Latino student success	\$ 250,000			\$ 250,000	Placeholder to ramp up program
UGS-University Studies	Complete University Studies staffing transition program	\$ 473,896		\$ 100,000	\$ 573,896	Per Provost, critical to finish transition of faculty to departments 4.5 tenure-track positions & library support
Academic units	Add faculty lines	\$ 700,000			\$ 700,000	Reduce student-faculty ratio. Decisions by Schools/Colleges/Provost required.
LIB	Faculty library support			\$ 400,000	\$ 400,000	One-time library support dedicated for AAUP members.
Chemistry	Faculty position for OHSU collaboration	\$ 100,000		\$ 20,000	\$ 120,000	Provost commitment to support research and academic instruction
All academic and support units	PEBB increase	\$ 800,000			\$ 800,000	Per PEBB Board expectation; unfunded mandate
Total		\$ 6,050,000	\$ -	\$ 1,320,000	\$ 7,370,000	

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Research

Unit	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
Research Enhancement Program	Center for Interdisciplinary Mentoring Research (CIMR-Keller)		\$ 100,000		\$ 100,000	Promoting Success through Connection award (PSU Center for Inter-Disciplinary Mentoring Research --Enhancing Our Research through Programmatic Investment)
Miller Grant positions	Transition one faculty position per year	\$ 125,000			\$ 125,000	Begin transition of 10-year limitation of Miller grant positions to University funding.
Library	Support Strategic Academic Priorities	\$ 420,780			\$ 420,780	Research publications
CUPA/CLAS	Center for Applied Economics Research (CAER)			\$ 225,000	\$ 225,000	Serve public, nonprofit and private sector community in Oregon and SW Washington with high quality, unbiased and credible economic analysis.
VP for Research & Partnerships	Varying levels of staffing for Research & Partnerships	\$ 300,000			\$ 300,000	Professional & support positions in Research & Partnerships
OAA	Provost's Initiatives	\$ 200,000			\$ 200,000	Special programs & initiatives as necessary
Total		\$ 1,045,780	\$ 100,000	\$ 225,000	\$ 1,370,780	

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Students

Unit	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
OSA	Mandatory Undergraduate Academic Advising Support (.66M - 1.17M)	\$ 1,000,000			\$ 1,000,000	Per new mandate to support undergraduate advising. Initial allocation to start the program. To create unified advising records, prescriptive degree maps, degree map milestones tracking.
All academic units	Expanded tuition remission program	\$ 1,500,000			\$ 1,500,000	Critical to assist students with growing financial needs & enrollment growth.
CLAS-Math	Math Placement Support - continuation of funding for position	\$ 50,000			\$ 50,000	
SBA/CLAS	PSU/GCC Initiative - Intl student support	\$ 273,175			\$ 273,175	
OSA-OIA	International Student Success	\$ 178,512			\$ 178,512	Investment for International Student Retention and Success
LIB	Support for Undergraduate Student Success acquisitions	\$ 208,500			\$ 208,500	Data bases, encyclopedias, journals, books
OAA - Retention Support*	Special Asst to the Provost for Student Success	\$ 84,000			\$ 84,000	
OSA - CRM*	Constituent Relationship Management Software		\$ 122,027		\$ 122,027	Continuing support to enhance enrollment management.
Academic Affairs	International Centers and Institutes	\$ 100,000			\$ 100,000	Enhance diversity and strategic mix of students.
Total		\$ 3,394,187	\$ 122,027	\$ -	\$ 3,516,214	

Administration

Unit	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
OAA	Increase FTE and Salary Increment for Dean of Graduate Studies	\$ 105,000			\$ 105,000	Move of Graduate Studies function to Provost
OAA	Vice Provost for Academic Budget and Planning	\$ 175,000			\$ 175,000	Separate Vice Provost Academic Administration & Planning into 2 positions
OAA	Additional support staff	\$ 109,967			\$ 109,967	Support for Vice Provost Academic Administration & Planning and accreditation coordination
Total		\$ 389,967	\$ -	\$ -	\$ 389,967	

Miscellaneous

Unit / Initiative	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
OAA - Miscellaneous	Various	\$ 703,269		\$ 402,419	\$ 1,105,688	Miscellaneous action items
Total		\$ 703,269	\$ -	\$ 402,419	\$ 1,105,688	

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SUPPORT UNITS

Students

Unit / Initiative	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
FADM-Financial Aid	Financial Aid Counselors	\$ 125,374			\$ 125,374	Critical to assist students with growing financial needs & enrollment growth and to enhance retention.
Total		\$ 125,374	\$ -	\$ -	\$ 125,374	

Administration

Unit	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
Campus Sustainability	Energy Manager	\$ 87,339			\$ 87,339	Manage energy efficiency and support sustainability initiative. Future energy savings may offset this investment.
Campus Maintenance	Building Engineer	\$ 136,643			\$ 136,643	Critical to new building support
Campus Public Safety	Community Service Officers	\$ 125,422			\$ 125,422	Public safety concerns & increased residential students
AVP FADM & Controller	Compliance Officer	\$ 105,828			\$ 105,828	To support accreditation activities
Human Resources	Payroll Accountant	\$ 65,152			\$ 65,152	To process critical payroll transactions & reconciliations
Purchasing & Contracting	Contracts Officer	\$ 75,013			\$ 75,013	Critical expansion of contracts occurring
Information Technology	IT Reorganization	\$ 136,643			\$ 136,643	Reorg. IT; increase management capacity
Information Technology	Web Development & Systems Integration to support Drupal	\$ 99,665			\$ 99,665	Critical to website improvement in conjunction with Communications
Information Technology	Campus-wide desktop computer replacement funds	\$ 50,000		\$ 200,000	\$ 250,000	Establish a permanent base for computer replacement. First \$200k is one-time support for AAUP members.
University Communications Office	Writer, Performance Study, Poll, Videos, Drupal web maintenance, salary requirements and additional S&S budget	\$ 150,000		\$ 85,000	\$ 235,000	Developing greater ability to communicate university messaging
University Budget Office	Budget Analyst	\$ 75,013			\$ 75,013	Business intelligence/financial analyses
UR	UR Productivity	\$ 250,000			\$ 250,000	Advancement Services plan to transition management of the donor database
UR	UR Fundraising capacity	\$ 250,000			\$ 250,000	Fundraising capacity for major gifting & President's campaign gifting
UR	Campaign readiness			\$ 75,000	\$ 75,000	Study to prepare major university fundraising campaigns
Total		\$ 1,606,718	\$ -	\$ 360,000	\$ 1,966,718	

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Miscellaneous						
Unit	Proposed Action	Recurring Allocation	Limited Duration Allocation	One-time Allocation	Total	Comments
All support units	Restore staff salaries	\$ 600,000			\$ 600,000	To honor university commitment to address compensation issues as discussed by the President
All support units	PEBB increase	\$ 200,000			\$ 200,000	Per PEBB Board expectation; unfunded mandate
University Diversity Office	Chief Diversity Officer and office support reorganization	\$ 118,142			\$ 118,142	Reorganization of Diversity function and recruitment of new CDO
Total		\$ 918,142	\$ -	\$ -	\$ 918,142	

TOTALS	\$ 14,233,437	\$ 222,027	\$ 2,307,419	\$ 16,762,883	
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