

# University Wide Budget Meeting

April 15, 2009



# Agenda

- I. Overview of State Budget Process  
2009-11  
Wiewel  
President
- II. Progress Report on Campus Budget Planning  
2009-10  
VP Lindsay Desrochers
- III. Long Term Strategies: Report on LTIFS  
Dean Marvin Kaiser

## President Wim Wiewel

### Since we last met in January:

- Engaged with State Legislators, Governor, OUS Board, Chancellor, and press on OUS/PSU budget picture
- State fiscal circumstances are still severe.  
Current shortfall in revenues: About \$713m  
Projected shortfall 2009/11: About \$3b and growing
- State Economist will revise state revenue picture in late May - up to an additional \$2b may be projected

## **President Wim Wiewel**

- Took reductions of 5% at OUS and PSU (in addition to 1% in January) - Using principles protecting core mission
- OUS and PSU instituted voluntary 4.6% FTE reduction for senior leadership
- State Legislature requested agencies to develop 30% budget reduction scenario

**But Also...**

## President Wim Wiewel

Recent OUS Board and President's discussions on 2009-11 Budget Planning include strategies such as:

- Assess low enrollment courses and programs
- Develop common admissions and referral
- Evaluate conversion to semesters
- Protect core mission of teaching and research in budget reductions: consequences for public service
- Balance budget reductions with tuition increase and return to aid strategies

The Legislature is now beginning a review of Governor's Budget and agency proposals.....a process that will continue through June (at least).

## PRINCIPLES

### **Budget planning will be:**

- Conducted in a deliberative, participatory and transparent manner
- Balanced, recognizing the important role of academic and administrative support in promoting student success, faculty productivity and overall program quality
- Based on programmatic contributions to one or more of the five guiding themes and the associated initiatives, including: provide civic leadership, improve student success, achieve global excellence, enhance educational opportunity and expand resources and improve effectiveness
- Recognize the need to support the faculty and staff who are key to advancing the five guiding themes.

## **Budget planning will be (continued):**

- Recognize the primacy of instruction and research.
- Support policies that increase revenue streams justified by the market and mitigate actions that impact student access.
- Address the immediate, short-term budget issues while ensuring that the University emerges in the strongest possible position to lead higher education in the Portland metropolitan region in the long term.
- Acknowledge that local administrators are in the best position to recommend allocations within their units but recognize the ultimate budget authority of the President.

## President Wim Wiewel

### ***Some Good News:***

- State Stimulus Bill: \$29 M to PSU for capital projects  
(Campus Loop II, Cramer Classroom/Restroom,  
Neuberger Hall, Art Bldg., Lincoln Hall)
- Federal Economic Stimulus Bill with substantial funds  
to State to ameliorate crisis impacts
- Long Term Institutional Fiscal Strategies Committee  
(LTIFS) created for generating “big ideas”
- Continued private fundraising
- Opportunities in partnerships

# Budget Planning - Update 2009-10

April 15, 2009



## **V.P. Lindsay Desrochers** **Campus Budget Planning 2009-10**

### **Since we last met in January:**

- Ongoing meetings with campus stakeholders including the Faculty Senate Budget Committee, Student Leadership, Union Leaders, Council of Academic Deans, FADM Council, and others
- Impacts of possible reduction levels are being examined
- Our goal is to meet the requirements of the State with a combination of new revenues and strategic reductions - quality is imperative

## V.P. Lindsay Desrochers

### **Campus Budget Planning 2009-10 continued:**

- Campus' Formal Budget Process is underway
  - All units prepared 7.5 and 12.5 % reduction scenarios representing \$14.2m or 18% of state appropriation.
  - University Budget Team now evaluating scenarios in meetings with unit managers
- 2009-10 Budget Reduction Scenarios:
  - 30% state reduction is extreme: could be up to \$38m. Unlikely scenario.
  - 20% state reduction is very possible. At this level \$28m must be identified to meet rolled up base budget & financial aid (out of \$234m E & G Budget)
  - Philosophy will be to take balanced approach to sharing this pain and retaining quality will be foremost

## **V.P. Lindsay Desrochers** **Campus Budget Planning 2009-10 continued**

- Tuition increases: 13% resident undergraduate with 10% increases for graduate & non residents
- Various types of differential tuition under consideration.
- Salaries will likely be affected. State very likely to call for a 4.6% across the board salary reduction (sliding scale may apply).
- Overhead charges for Auxiliaries and Self Support will increase

## V.P. Lindsay Desrochers

### Campus Budget Planning 2009-10 continued...

- Reductions in Staff & Faculty will still be necessary:
  - Unit planning has produced about 120 FTE (out of 3500)
  - 20% Scenario w/ tuition increases/other cuts would mean more like 40 to 50 FTE (vacancies & current)
- Other measures to preserve \$'s will include campus closures during the holidays and reductions of space, equipment, travel, etc.

# Long Term Institutional Fiscal Strategies Committee (LTIFS)

April 15, 2009



## Dean Marvin Kaiser

- Charge of the Long Term Institutional Fiscal Strategies Committee (LTIFS)
- Committee Membership
- Initial Issues and Recommendations, Voluntary “FTE” Reduction Extension, Differential Tuition
- Process for Community Input

# Questions?

Email your feedback to:

[budgetcomments@pdx.edu](mailto:budgetcomments@pdx.edu)

For these documents and updates  
on the budget process go to:

[www.pdx.edu/budget/](http://www.pdx.edu/budget/)