2008-09 Fiscal Year
2008-09 Fiscal Year

- Reductions/Reversions = $37,798,675
- Cash Flow Limitations
- OSBM Exception Process
- Furlough Implementation
2009-2011 Biennium Budget
Legislative Budget Activities
Governor, Senate and House Budget Differences

- Adjustment to Continuation Budget
- Enrollment Growth (only first year)
- Management Flexibility Cut
- Tuition Increase displacing approved CITI
Legislative Budget Activities
Governor, Senate and House Budget Differences

- Employee Tuition Waiver Reduction
- Line item Reductions
- Centers and Institutes Reductions
- Changing almost hourly
Accelerated evaluation of each center/institute:

- Part of continued budget planning for 2009-10 with new budget targets
- Data will be provided, should be checked by centers:
  - General information: origin, mission, charter, website
  - Organizational structure
  - Budget, supported positions, staffing, students, space
- Results should be incorporated into budget reduction proposals
- Savings/reductions will accrue to responsible units
Centers and Institutes

Criteria for Review (from Reg.10.10.4):

• Is current funding sufficient to continue?
• Do support, training, and graduation rates meet stated goals?
• Is faculty participation sufficient to continue?
• Is the quality of scholarly activity by faculty, staff, students reflected in output?
• Is it meeting its goals and objectives? Does it duplicate other centers?
• Do financial audit and professional evaluation demonstrate effective management?
• Is it financially sustainable (matching, start-up, and capital funding)?
• Are adequate facilities available?
• Are the Center or Institute clients being served?
Centers/Institutes to be Dis-established (out of 68)

- Center for Excellence in Curricular Engagement
- Kenan Center for the Utilization of Carbon Dioxide in Manufacturing
- Encore Center for Lifelong Enrichment
- Center for the Biology of Nematode Parasitism
- Silicon Wafer Engineering and Defect Science Center
- Engineering Research Center for Advanced Electronic Materials Processing
- Combining into a single institute:
  - Center for Advanced Computing & Communication
  - Center for Efficient, Scalable, and Reliable Computing
  - Network Technology Institute
Centers/Institutes to be Dis-established (cont’d)

• Combining under the FREEDM Center
  Advanced Transportation Energy Center
  Semiconductor Power Electronics Center
• Southern Center for Sustainable Forestry
• Brandon P. Hodges Wood Products Laboratory
• Institute of Statistics
Discontinuing Planning (out of 6)

- North Carolina Coastal Resources Law, Planning, and Policy Center
- Cooperative Tourism Research Center
- Center for Research of the Nano/Bio Material Interface
Review may lead to changes in status:

• The responsible administrator(s) makes a recommendation

• The Vice Chancellor for RGS (in consultation with Provost) recommends to Chancellor action by Trustees

• Instructions in the Guide for Creating and Managing NC STATE Centers and Institutes

Effective Immediately: Moratorium on Submission of New Centers and Institutes

(Except: those already submitted for consideration by the Chancellor/Board of Trustees for Authorization to Plan/Establish)
Budget Planning Process
Previous 2009-10 Budget Planning
State Appropriated Funds

- 7% Total Recurring Strategy
- Protect Financial Aid
- 2% Strategic Reductions
- 5% Targeted Reductions
  - .5% Central Sources
  - 2.5% UBAC* Principles
  - 2% Across-the-Board

* University Budget Advisory Committee
## 2009-10 Budget Reduction Impact

### State Appropriated Funds

**5% Level**

<table>
<thead>
<tr>
<th>Budget Code</th>
<th>Continuing Base Budget</th>
<th>Budget Reductions</th>
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</thead>
<tbody>
<tr>
<td>Academic Affairs (16030)</td>
<td>$514,016,758</td>
<td>$20,394,804</td>
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<tr>
<td>Agricultural Research Service (16031)</td>
<td>$71,944,242</td>
<td>$3,064,329</td>
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<tr>
<td>Cooperative Extension Service (16032)</td>
<td>$60,903,931</td>
<td>$2,269,415</td>
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<tr>
<td>University Total</td>
<td>$646,864,931</td>
<td>$25,728,549</td>
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</tbody>
</table>
Budget Reduction Planning Target
(Academic Affairs 16030)

- Total Appropriation Planning Target is 18%
- University-Level Reduction Target is 2%
- Previous Budget Reduction was 5%
- Additional Budget Target is 11%
- **Additional Target Adjusted for Tuition is 9%**
2009-10 Reduction Planning Schedule
(Subject to Change)

- Submit Reduction Proposals: June 15
- Review Meetings: June 18 – July 8
- Approved State Budget: Mid-Late July
- Final Reduction Allocations Based on Approved State Budget: Mid-Late July
2009-11 Budget Considerations

- Endowment Returns Are Down
- Cash Flow Restrictions Likely To Continue
- One-time Reversions Possible
- Future Tuition and Fee Rules Unknown
Questions?

www.ncsu.edu/budget