Faculty Senate University Budget Committee Report to Faculty Senate Rick Niswander, Committee Chair November 13, 2001

FY 2001-2002 Budget Adjustments (Actual and Estimated) and Institutional Responses

This document enumerates and explains the increases and decreases to the ECU State-funded operating budget resulting from passage of the FY 2001-2002 NC State budget and subsequent events. All increase and decrease numbers represent *changes* to the prior year budget and are rounded to the nearest \$1,000.

As with most years, the overall change is comprised of a number of increases and decreases. Although the net effect on the Academic Affairs budget is an approximate \$1.2 million shortfall (\$2.6 million for Health Affairs), it is critical to comprehend that the dollar amounts are generally not fungible, i.e., increases in one category usually cannot compensate for decreases in another. This analysis separates the increases and decreases.

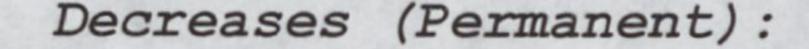
Academic Affairs is presented first, followed by Health Affairs.

Academic Affairs Fund

Increases:

Operating funds for new facilities...... \$ 581,000 For utilities, custodial, and general maintenance for new facilities Distance education enrollment increase....... 3,046,000 For equipment, personnel, support, etc. to support distance education offerings. Doctoral II funding..... 1,500,000 The last phase of Doc II funding. To be used for new faculty positions and faculty salary adjustments (generally equity adjustments) and support costs. Also see below. Campus initiated tuition increase 2,425,000 From the \$150 per year increase. To be used approximately \$800,000 for student financial aid, \$1,325,000 for faculty salaries, and \$300,000 for an SPA salary adjustment pool. Hold Harmless...... 352,000 Offset of difference between the loss of State funding

for regular term enrollment decrease and DE increase (for prior FY).



Regular-term enrollment decrease	2,791,000
General State-mandated budget reductions	1,995,000
Additional State-mandated reductions for	
"administrative efficiencies" and travel	479,000
Fixed and Determined Budget Reductions	\$5,265,000
Estimated unfunded shortfall in utilities cost	600,000

Total Fixed, Determined, and Estimated Decreases... \$5,865,000

The above permanent budget decreases were covered by: Eliminate 23 unfilled faculty positions, benefits, library and administrative support staff (covers regular-term enrollment reduction) \$2,791,000 Eliminate 2.8% of non-teaching EPA positions (1).... 341,000 Eliminate 2.8% of SPA positions (1) 1,117,000 Give back Doc II Institutional Support Funding 225,000 Carryover funds to apply to utility shortage 600,000 Reduce the number of faculty/staff PC replacements 150,000 Reduce funding for travel...... 149,000 Reduce funding for the purchase of equipment, furniture, cell phones, contractual services, memberships, etc..... 372,000 Reduce Library and ITCS General Academic support.... 120,000

Note (1) Elimination of filled positions offset by increase in Administrative Overhead rate and transfer of incumbents.

Additional temporary Reduction (hold-back mandated by Governor):

Reversion of 2.7% anticipated to be covered by: \$1,600,000 Unfilled non-teaching EPA positions...... 50,000 Lapsed SPA Salary adjustment pool...... 150,000 Do not fill 7 faculty positions provided in Doctoral II funding..... 550,000 Lapsed Faculty Salary funds........... 250,000 Hold back of DE Funds..... 500,000 Excess Summer Session funding........ 100,000

Summary of increases and decreases:

 Total funding increases.....
 \$7,904,000

 Total funding decreases (\$5.865m + \$3.2m).....
 \$7,904,000

 Net funding decreases (\$5.865m + \$3.2m)....
 \$9,065,000)

 \$(1,161,000)



Health Affairs Fund:

Increase:

1

Campus initiated tuition increase........

\$ 45,000

From the \$150 per year increase. To be used for the same categories and in approximately in the same proportion as for Academic Affairs.

Decreases:

General State-mandated budget reductions	806,000
and travel	183,000
Fixed and Determined Budget Reductions	\$ 989,000
Estimated unfunded shortfall in utilities cost	400,000
Additional Reduction: 2.7% reversion (hold-back)	1,246,000
Total Decreases for Health Affairs	\$2,635,000

The above permanent Fixed & Determined Budget Reductions (the \$989,000) were covered by:

Eliminate 2.8% of non-teaching EPA positions 151,000 Eliminate 2.8% of SPA positions 290,000 Reduce funding for travel..... 64,000 Reduce funding for the purchase of equipment, furniture, cell phones, contractual services, memberships, etc.... 484,000

The utilities shortfall and the 2.7% additional reduction (reversion) are anticipated to be covered by lapsed salary lines.

