

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).	

Total Funding Increases.....	\$7,904,000
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Decreases (Permanent):

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
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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 for one year.....	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):

2.7% reversion (hold-back).....	\$3,200,000
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Reversion of 2.7% anticipated to be covered by:

Unfilled SPA positions.....	\$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).....	(9,065,000)

Net funding decrease for Academic Affairs.....	\$(1,161,000)
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Health Affairs Fund:

Increase:

Campus initiated tuition increase..... \$ 45,000
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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
Additional reductions for "administrative efficiencies"
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**
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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.