### FY 2010 Cost Containment Efforts







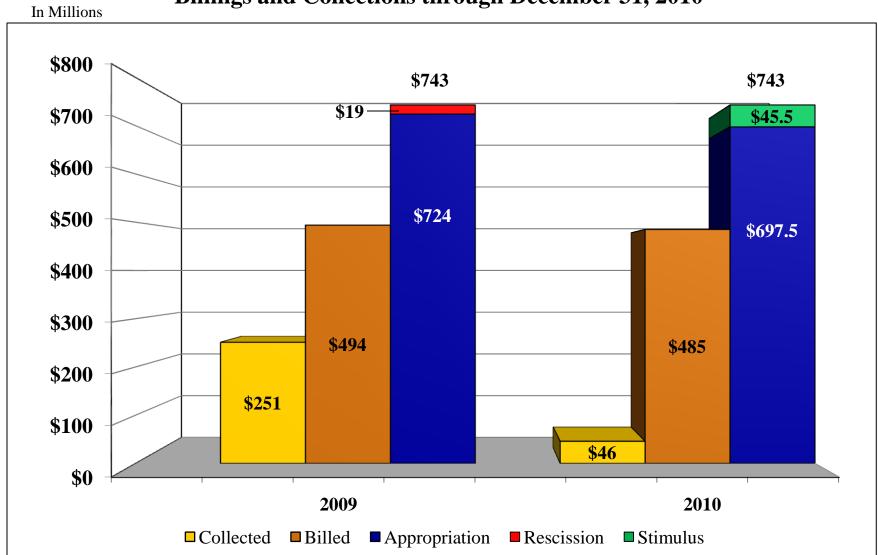
## University of Illinois

URBANA-CHAMPAIGN•CHICAGO•SPRINGFIELD

Presented to the Board of Trustees January 21, 2010

### **State Appropriation Revenue**

**Unrestricted Funds Billings and Collections through December 31, 2010** 



### **Overview**

#### FY 2009:

- Impact of economic downturn, budget year with slowest reimbursement of State appropriations in history
  - \$18.6 M Rescission covered University Facility Renovation Funds

#### FY 2010:

- <u>July 2009</u> Level Appropriation: \$743 million General Revenue and stimulus Funds
  - No general salary program
  - No release of Facility Renovation Funds (\$19.8 million)
    - Other Examples:
    - UA elimination of Senior Associate VP and related structure
    - Locked utility prices, offers budget stability
- November 2009 Units informed of a possible reduction of 6% of State funds
- Administrative Review and Restructuring Committee formed
- <u>January 2010</u> Hiring slowdown, future exemption policy on case-by-case basis
- Furlough program announced: 10 day, 4 day and 0 day
- Campus-based committees being formed to review scope and breadth of academic enterprise

### **Cost Reduction Efforts**

#### **State & Tuition Funds**

### Challenge:

- > 85% of the University's GRF-related costs are in personnel
- Work has not diminished as much if not greater demand for our work product education
  - Enrollments strong, largest enrollments in history, 75,000 headcount

#### Personnel Cost Reduction Program:

- Temporary Cost Reduction Faculty and Academic Professionals
- Furloughs: 10 days for Senior Administrators, 4 days for others not exempted
  - Implementation within the necessary Labor Laws requires work time restrictions and record keeping
- Voluntary Pay Reduction Option in lieu of Furlough
- Maximum amount of academic unit flexibility

### Planning for FY 2011:

- Governor's Budget Address February/March
- University Planning Underway
- Issuance of select Notices of Non-Reappointment with a view of further budget reductions

# State & Tuition Pay for Instructional Function Expenditures by Function FY 2009

