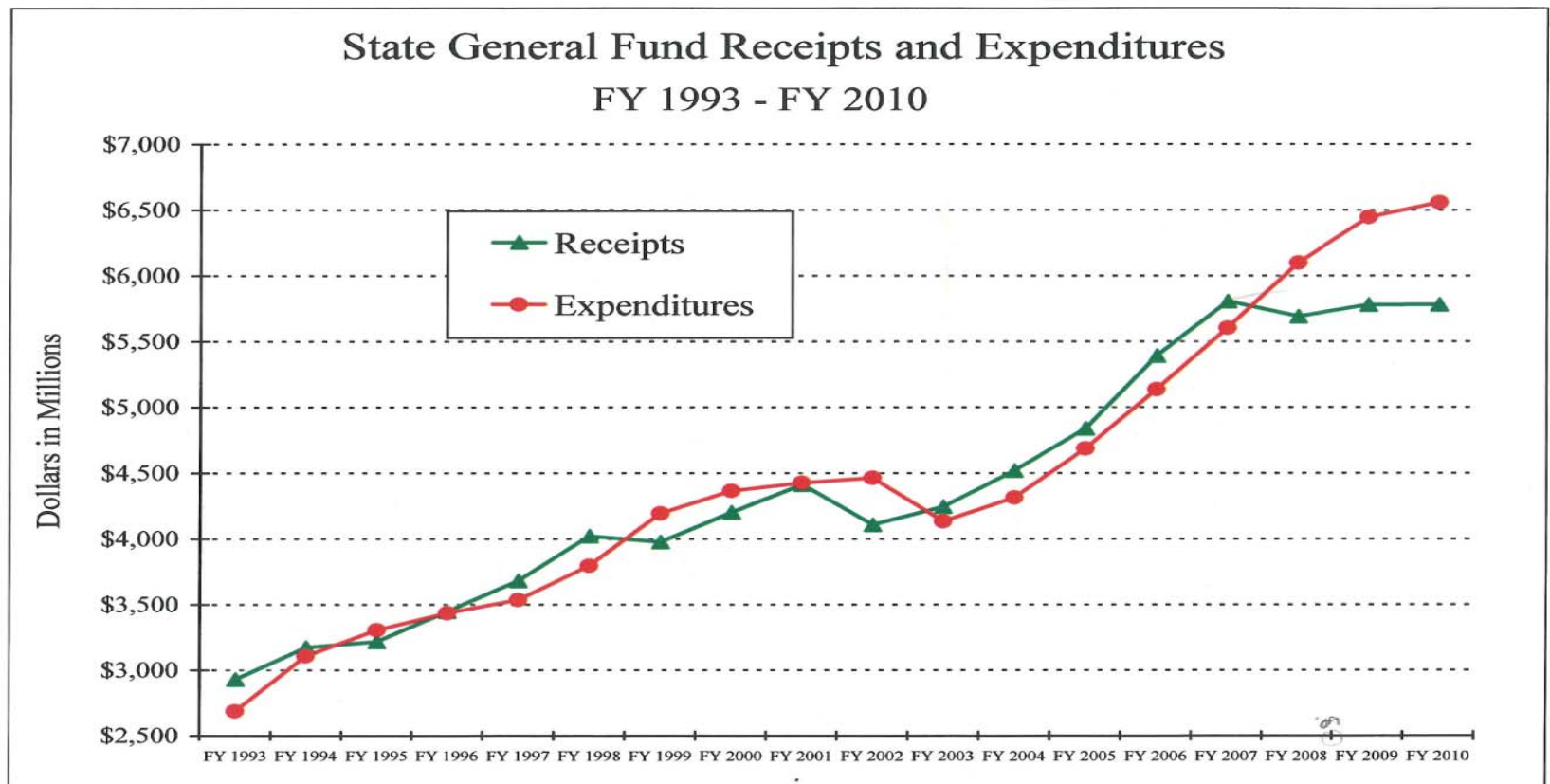


Washburn University

Town Hall Meetings - Budget Reduction Discussion

March 2009

Division of Budget - State General Fund Receipts and Expenditures



FY09 General Fund Budget

- Revenues (Excludes Auxiliary Operations):

• Tuition and Fees	\$40,864,361	52%
• State Operating Grant	\$12,512,731	16%
• Sales Tax	\$18,150,719	23%
• Other Income	<u>\$ 7,178,245</u>	9%
Total	\$78,706,056	100%

Proposed General Fund Budget Reductions – FY09 and FY10

- Original Proposed Cuts – State Operating Grant:

• FY 09	-	3%	-	\$ 375,382
• FY 10	-	<u>4%</u>	-	<u>\$ 500,509</u>
Total		7%		\$ 875,891
- FY 09 Cut – Declining Enrollment:
 - 8,000 Credit Hours @ \$197 Per Hour \$1,576,000
- Contingency:
 - FY 09 – FY 10 \$ 189,346
- Total Amount Proposed Cuts FY09-FY10: \$2,641,237

Proposed General Fund Budget Reductions – FY09 and FY10

Salaries and Wages :

Faculty (8 positions - \$323,302)	\$ 727,319	
Adjunct Pool	197,803	
Adjunct Pool - Summer School	46,917	
Administrative (4 positions)	122,012	
Administrative Pool	78,424	
Classified (5 positions)	128,717	
Classified Pool	55,076	
Student Pool	50,963	
Uncommitted Salaries	77,290	\$1,484,521

Fringe Benefits :

465,786

Other Operating Expenses :

Services	99,294	
Travel	57,462	
Other Professional Fees	56,396	
Other Operating Expenses	437,678	
Equipment	40,100	<u>690,930</u>

Total FY09 - FY10 Budget Reduction

\$ 2,641,237

Proposed General Fund Budget Reductions – FY09 and FY10

- Current Proposed Cuts – State Operating Grant:

• FY 09	-	4.25%	-	\$ 531,179
• FY 10	-	<u>8.45%</u>	-	<u>1,057,938</u>
Total		12.7%		\$1,589,117

Less: Already Captured – 7% 875,891

• FY 10	-	5.7%	-	\$ 713,226
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(Additional Amount Needed Above Original 7% Proposed State Operating Grant Cut – Senate Version)

• FY 10	-	2.05%	-	\$ 256,511
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(Additional Amount Needed Above Original 7% Proposed State Operating Grant Cut – House Version)

Proposed General Fund Budget Reductions – FY 10

		Senate	House
Total amount needed for additional state operating grant Reductions – FY 10 (5.7% - Senate: 2.05% - House)		\$ (713,226)	\$ (256,511)
KBOR estimated Federal American Recovery Act of 2009, State Fiscal Stabilization Fund for Higher Education (2 years)		622,555	622,555
Reduced Interest Income		(550,000)	(550,000)
Costs to Continue – FY 10:			
Utilities	\$125,000		
Scholarships	20,000		
Open Whiting	69,000		
Team Buses/Meals	43,000		
Student Minimum Wage	31,000		
Insurance/Audit	37,000		
Faculty Promotions	30,000		
Mulvane Accreditation	20,000		
Health Insurance (10% Increase – Washburn contribution)	410,000		
Total Costs to Continue		(785,000)	(785,000)
Total Additional Needed		\$(1,425,671)	\$ (968,956)

FY 10 Additional Budget Reductions

- Early Retirement Incentive Program:
 - 12 Confirmed Participants
 - Total Salary 12 Participants - \$562,288
 - Estimated 5 Positions Will be Replaced at Lower Salaries

FY 10 Additional Budget Reductions

- Options:
 - Other Operating Expense Reductions
 - Utility Savings:
 - Turn Off Lights When Not in Room
 - Turn Off Computers Overnight/Weekends
 - Adjust Building Thermostats – Warmer in Summer, Cooler in Winter
 - Re-lamping Campus Buildings
 - Replacing HVAC Systems and Honeywell HVAC System Controls

FY 10 Additional Budget Reductions

- 75% General Fund Budget is Salaries and Wages
 - Possible Layoffs
 - Base Salary Reductions
 - Furloughs (Time Off Without Pay)
 - Reduced Benefits – Retirement Contributions

FY 10 Budget Unknowns

- FY 09 Monthly Sales Tax Collections Compared to FY 08 Collections
 - 3 Up
 - 2 Down
 - 1 Even
- Endowment Income
- Tuition Increase
- Enrollment
 - Decrease/increase undergraduate/resident by 100 students/1,200 credit hours is \$236,400 per semester

Proposed General Fund Budget Reductions KAW – FY 10

		Senate	House
Total amount needed for state operating grant Reductions – FY 10 (12.7% - Senate: 9.05% - House)		\$ (336,636)	\$ (239,887)
Amounts Already Designated - FY 09:			
Salaries and Wages (Certified Staff)	\$ 47,966		
Fringe Benefits	11,992		
Other Operating Expenses	122,940		
Total		182,898	182,898
Costs to Continue – FY 10:			
Health Insurance (10% Increase KAW contribution)	40,000		
Utilities	50,000		
Total Costs to Continue		(90,000)	(90,000)
Total Additional Needed		\$ (243,738)	\$ (146,989)



Discussion