



# Eastern Kentucky University

Budget Advisory Committee

---

January 2018

***EKU***

# Advisory Committee

---

**Charge:** This committee was charged with developing recommendations to the President's Council that will address financial challenges facing the university.

**Timeline:**

December 1st: Initial Meeting

December 1-8th: Data Request Submission and meeting schedule

December 15th: Complete survey development and template for data collection

December 15th: Launch web-based survey

January 8-February 9: Meet with constituent groups

January 31<sup>st</sup>: Proposals due to committee

February 23<sup>rd</sup>: Complete draft recommendations

February 26-March 2<sup>nd</sup>: Share draft recommendation with constituent groups

March 5<sup>th</sup>: Recommendations to the President's Council

# Expected Budget Impact

---

- Increased KERS Obligation: **\$10 million**
- Expected KTRS Increase: **\$2-3 million**
- Decreased State Funding
  - Mid-year FY 18: **\$650,000**
  - FY 19-20: **\$4,060,769 (6.25%)**
  - FY 19-20 Additional Cuts: **\$350,000 (CPA, MLS)**
- Decreased Tuition Revenue: **\$4-\$6 million**

**TOTAL BUDGET IMPACT: \$21-23 MILLION**

**COMMITTEE GOAL: \$25 MILLION**

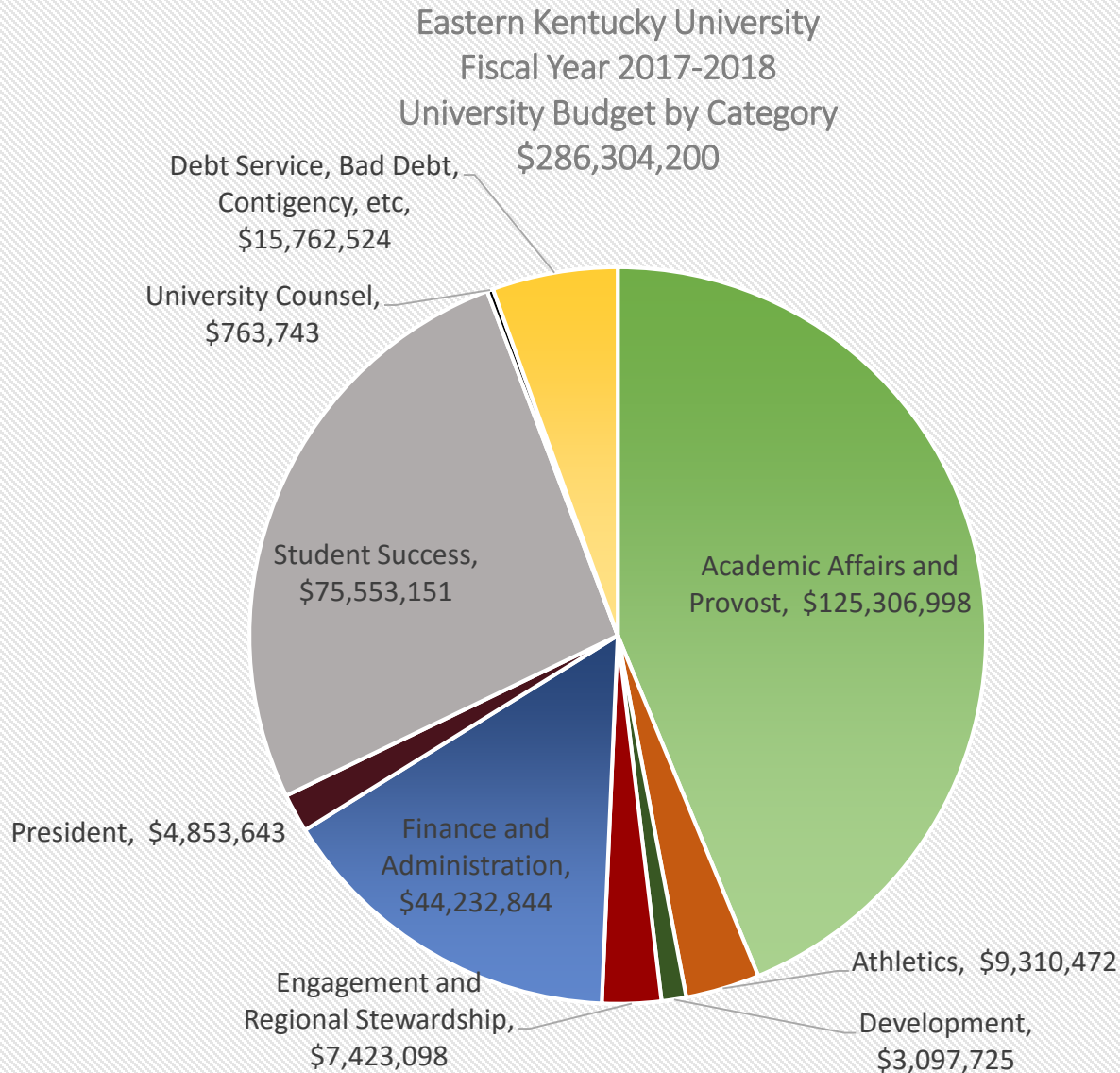
# Implications

---

- All areas of University will have some degree of impact
- These cuts are unprecedented in all of KY Higher Education
- Avoid across the board approach
- Must be strategic
- Core mission initiatives must be prioritized
- Opportunities for growth and revenue generation must be identified

# University Budget Overview

---

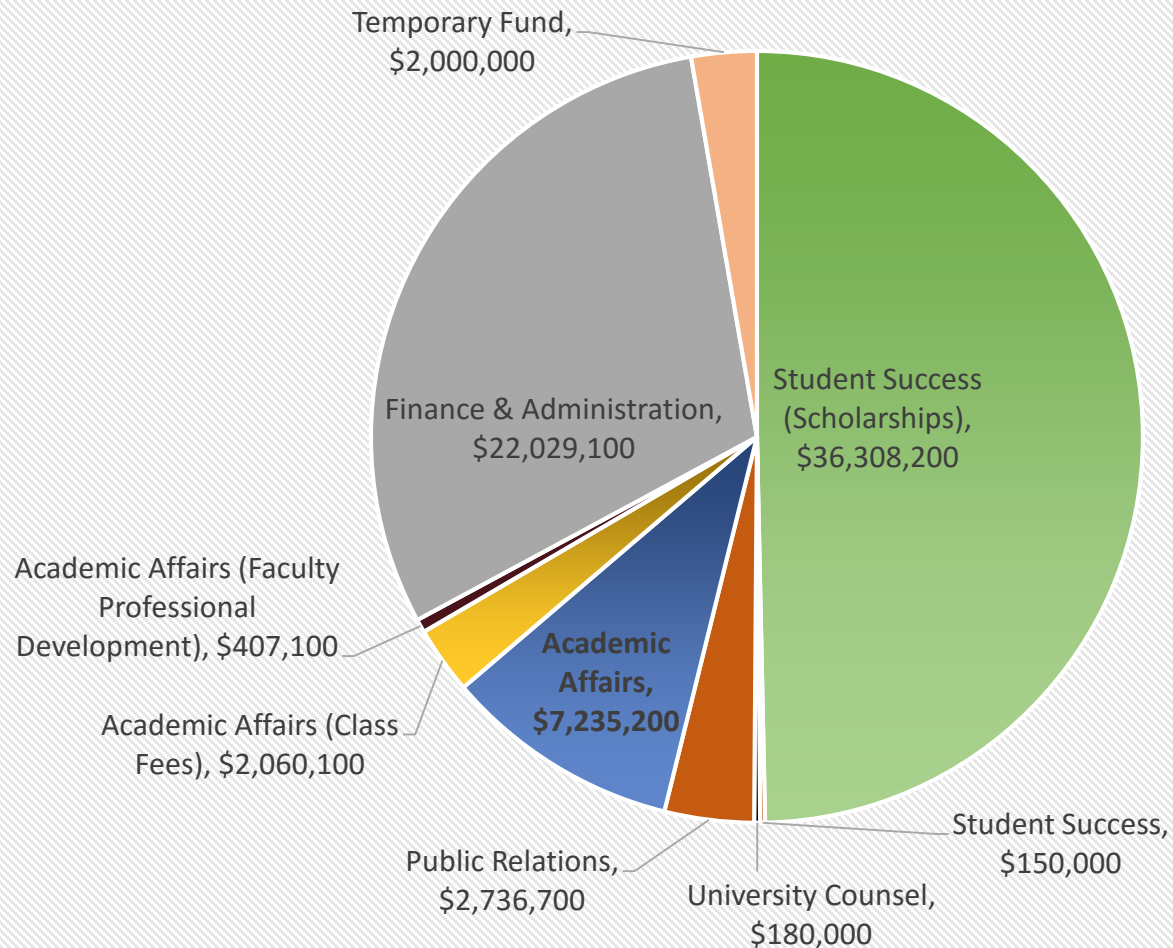


# University Budget Overview

---

- Of the total FY 2017-18 Budget, approximately \$73.1 million is already encumbered and unavailable for budget cut.

Encumbered Operations & Maintenance Funds  
\$73,106,400



# Proposals

---

The Budget Advisory Committee is requesting a variable level proposal from each VP area.

- Strategies for reduction at the 15, 20, 25% levels
- This does not indicate that an across the board approach will be used.
- All areas will identify strategies at each level but each VP will make a recommendation regarding the size of the reduction for each area within their respective units.
- Each VP will decide how to engage the units in their areas in the proposal process.
- Proposals are due back to the committee by January 31st.

# Template

---

## Template (Excel File)

Columns	Explanation
Proposal Percentage (15, 20, 25)	The percentage cut in which the change would be included. For example, a code of 15 would indicate that the strategy would be used for any cut of at least 15%. A code of 25 would mean the strategy would only be used if a 25% cut were necessary.
Year of Impact (FY 19, FY 20)	The fiscal year in which the cut would be implemented. At the university level, the goal is to identify 10-15% in FY 19 and 5-10% in FY 20.
Strategy	Brief description of the strategy.
Positions Affected (Include Position Number)	Position titles and numbers impacted by the strategy.
Org Code	Organization code impacted.
Cost Savings (\$) Salary, Benefits, M&O	Total savings from the strategy including salary, benefits, or M&O reductions.
Projected Revenue Implications (\$ Increase or Decrease)	Potential revenue decrease and description of how revenue is affected by the strategy. Be very specific about the relationship between the strategy and revenue relationship.
Narrative Explanation	Brief explanation of how this strategy will impact the unit's ability to operate at the appropriate level of service to students and/or the University.



# Discussion

---

What are the essential services or programs your college or unit provides that cannot be reduced or eliminated?

What services or programs does your college or unit provide that are non-essential or could be reduced or eliminated?

What are the essential services or programs provided in other areas of the University that cannot be reduced or eliminated?

What services or programs provided in other areas of the University that are non-essential or could be reduced or eliminated?

Are there other topics you want the committee to be aware of as it considers data and feedback from the community?

# Questions?

---

## Contact Information:

[budgetadvisory@eku.edu](mailto:budgetadvisory@eku.edu)

## Co-chairs:

David McFaddin

Tanlee Wasson