



Item: AF: I-5

## AUDIT AND FINANCE COMMITTEE

Wednesday, February 25, 2009

**SUBJECT: UPDATE ON BUDGET REDUCTIONS FOR FISCAL YEAR 2008-2009.**

---

### PROPOSED COMMITTEE ACTION

Information Only.

### BACKGROUND INFORMATION

Based upon lower than projected state revenues, the Board of Governors and Florida Atlantic University are anticipating and preparing for additional budget reductions for 2008-2009.

### IMPLEMENTATION PLAN/DATE

Upon Legislative action during the 2009 session.

### FISCAL IMPLICATIONS

Florida Atlantic University will be required to adjust its 2008-2009 Educational and General Operating Budget in accordance with Legislative proviso language.

---

**Supporting Documentation:** House/Senate Conference Report Reductions 2008-09 and 2008-09 FAU Budget Reductions.

**Presented by:** Dr Kenneth A. Jessell, Vice President for Financial Affairs

**Phone:** 561-297-3266



**State University System of Florida  
House and Senate Conference Report Reductions  
2008-09**

<u>University</u>	<u>2008-09 Total Appropriation</u>	<u>Recurring Reductions (GR + Lottery)</u>	<u>Non-Recurring Reductions (GR + Lottery)</u>	<u>Total January 2009 Reductions</u>	<u>Reductions to State Funds</u>
UF*	\$482,896,291	(\$19,114,183)	(\$201,667)	(\$19,315,850)	-4.00%
UF-IFAS	\$134,542,337	(\$5,328,303)	(\$53,391)	(\$5,381,694)	-4.00%
FSU*	\$353,409,318	(\$13,998,873)	(\$137,500)	(\$14,136,373)	-4.00%
FAMU	\$116,487,366	(\$4,613,928)	(\$45,566)	(\$4,659,494)	-4.00%
USF*	\$303,951,983	(\$12,014,888)	(\$143,192)	(\$12,158,080)	-4.00%
USF - ST. PETE	\$27,358,214	(\$1,094,329)	\$0	(\$1,094,329)	-4.00%
USF - SAR/MAN	\$14,586,088	(\$583,444)	\$0	(\$583,444)	-4.00%
FAU	\$176,923,831	(\$7,008,235)	(\$68,718)	(\$7,076,953)	-4.00%
UWF	\$66,569,459	(\$2,636,438)	(\$26,340)	(\$2,662,778)	-4.00%
UCF*	\$278,374,233	(\$11,029,813)	(\$105,156)	(\$11,134,969)	-4.00%
FIU*	\$225,884,645	(\$8,952,074)	(\$83,311)	(\$9,035,385)	-4.00%
UNF	\$86,864,621	(\$3,441,765)	(\$32,821)	(\$3,474,586)	-4.00%
FGCU	\$53,198,119	(\$2,107,790)	(\$20,135)	(\$2,127,925)	-4.00%
NCF	\$17,217,538	(\$681,520)	(\$7,181)	(\$688,701)	-4.00%
University Subtotal:	\$2,338,264,043	(\$92,605,583)	(\$924,978)	(\$93,530,561)	-4.00%
Moffitt Cancer Center	\$11,718,645	(\$703,119)	\$234,373	(\$468,746)	-4.00%
Inst. Hum./Mach. Cognition	\$1,600,000	(\$79,225)	(\$16,775)	(\$96,000)	-6.00%
Distance Learning	\$334,026	(\$20,042)	\$0	(\$20,042)	-6.00%
Centers of Excellence					
FSU Advanced Aero-Propulsion	\$14,570,225	\$0	(\$3,642,556)	(\$3,642,556)	-25.00%
FIU Hurricane Damage Mitigation	\$10,006,955	\$0	(\$2,501,739)	(\$2,501,739)	-25.00%
Florida Energy Consortium					
UF	\$15,000,000	\$0	(\$3,750,000)	(\$3,750,000)	-25.00%
FSU	\$8,750,000	\$0	(\$2,187,500)	(\$2,187,500)	-25.00%
USF	\$8,750,000	\$0	(\$2,187,500)	(\$2,187,500)	-25.00%
UCF	\$8,750,000	\$0	(\$2,187,500)	(\$2,187,500)	-25.00%
FAU	\$8,750,000	\$0	(\$2,187,500)	(\$2,187,500)	-25.00%
FGCU Solar Energy Field**	\$8,500,000	\$0	(\$1,000,000)	(\$1,000,000)	-11.76%
SUS Total:	\$2,434,993,894	(\$93,407,969)	(\$20,351,675)	(\$113,759,644)	-4.67%

\* Appropriation includes health science centers and/or medical school.

\*\* Fixed Capital Outlay Project

Proviso language from SPB 8002A states in part:

"Each university board of trustees may allocate their institution's reductions across their institution's Educational and General Activities category and their medical program category. Each board of trustees shall provide to the Board of Governors the allocation of reductions by category prior to March 1, 2009."

"Each university board of trustees is given flexibility to make necessary reductions to its operating budget. Each board shall develop and implement a reduction plan that minimizes reductions to classroom instruction. If any board plan reduces individual programs or projects with the university by more than 10 percent, written notification shall be provided to the Executive Office of the Governor, the President of the Senate, and the Speaker of the House of Representatives."

**2008-09 BUDGET REDUCTIONS**  
**SPECIAL LEGISLATIVE SESSION**

**UNIVERSITY LEGISLATIVE REDUCTIONS**

General Revenue	\$6,411,641
Lottery	\$ <u>665,312</u>
<b>TOTAL EDUCATIONAL AND GENERAL</b>	<b>\$7,076,953</b>

**OTHER LEGISLATIVE REDUCTIONS**

Florida Energy Consortium	\$2,187,500	<i><b>VETOED</b></i>
Autism Program	\$ 39,809	<i><b>VETOED</b></i>

**2008-09 BUDGET IMPACT**

<b>LEGISLATIVE BUDGET REDUCTION—E&amp;G</b>	<b>\$7,076,953</b>
Reserve--Academic Affairs	(2,100,000)
Reserve—Tuition Increase	(1,400,000)
Reserve—Interest (convenience fee)	<u>( 500,000)</u>
<b>Additional Funds Needed</b>	<b>\$3,076,953*</b>

**\*To be covered by non-recurring funds in 2008-09; recurring funds in 2009-10.**