



University of Connecticut

Storrs & Regional Campuses

Town Hall Meeting

October 6, 2010

Economic Climate: State Budget

What makes up the FY12 deficit? (\$M)

End of federal stimulus	\$960.4
One-time revenue bond income	956.0
One-time income from fund raids	294.9
End of Rainy Day Fund	103.2
End of corporate tax surcharge	34.1
Cost of debt service from 2009	208.4
Other projected adjustments	<u>703.3</u>
Total FY12 Deficit	\$3,260.3

State Support

FY10 Actual

\$233.0M

\$325.4M w/FB

FY11 Forecast

\$232.7M

\$332.1M w/FB

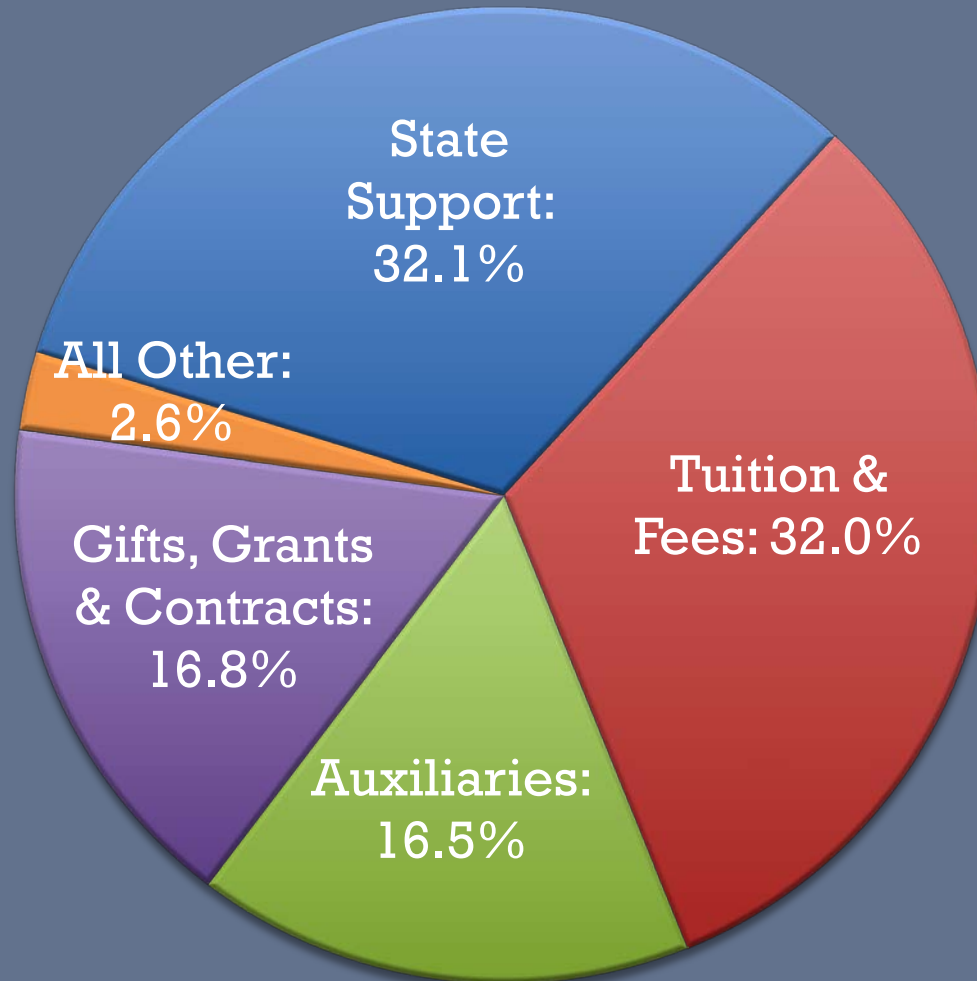
- FY10 included a reduction of \$3.2M
- Transfers from University reserves to State General Fund not included above: FY10=\$8M and FY11=\$15M
- FY12 – Funding protection lapses with ARRA - additional funding reductions are likely

FY11 UConn Budget



- Flat State funding & cuts to reserves
- Limited hiring - faculty hires in areas of strategic importance
- Faculty & staff concessions
- Academic enrichment
- Increases in financial aid
- Equipment & plant renewal program
- Continuing to identify new revenue & savings opportunities via CORE

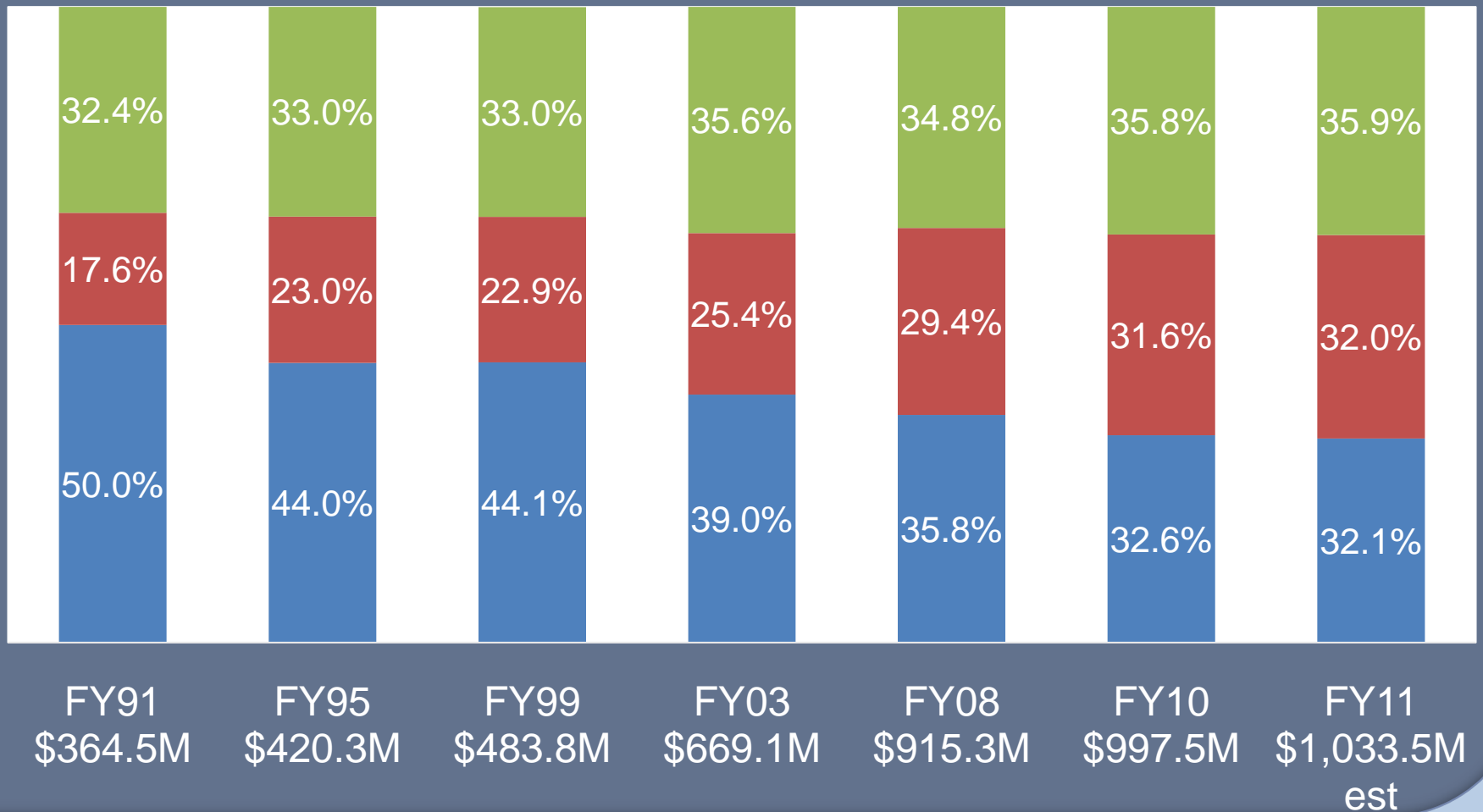
FY11 Budget: Revenues-\$1,033.5M



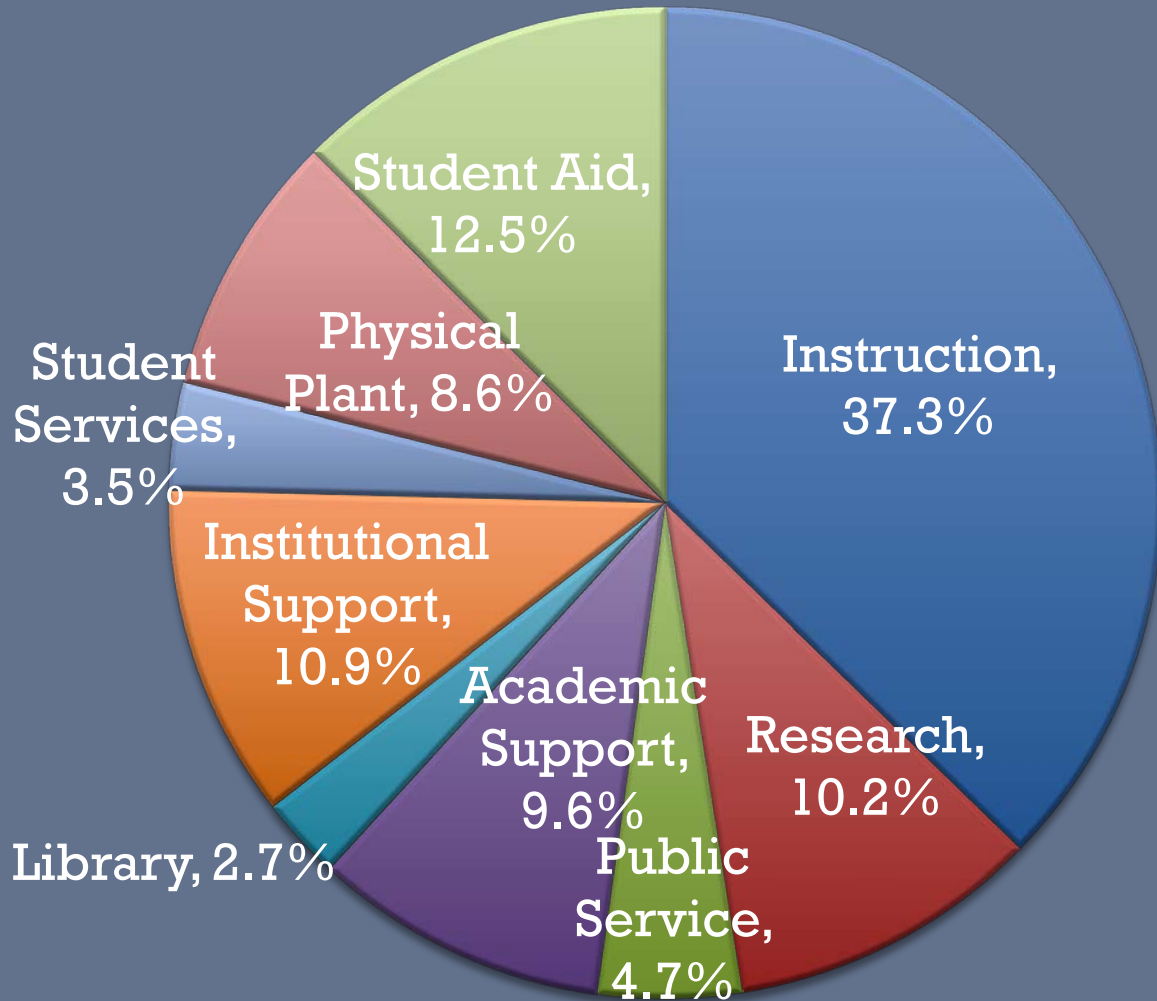
State Support as a % of Total Revenues (\$M)



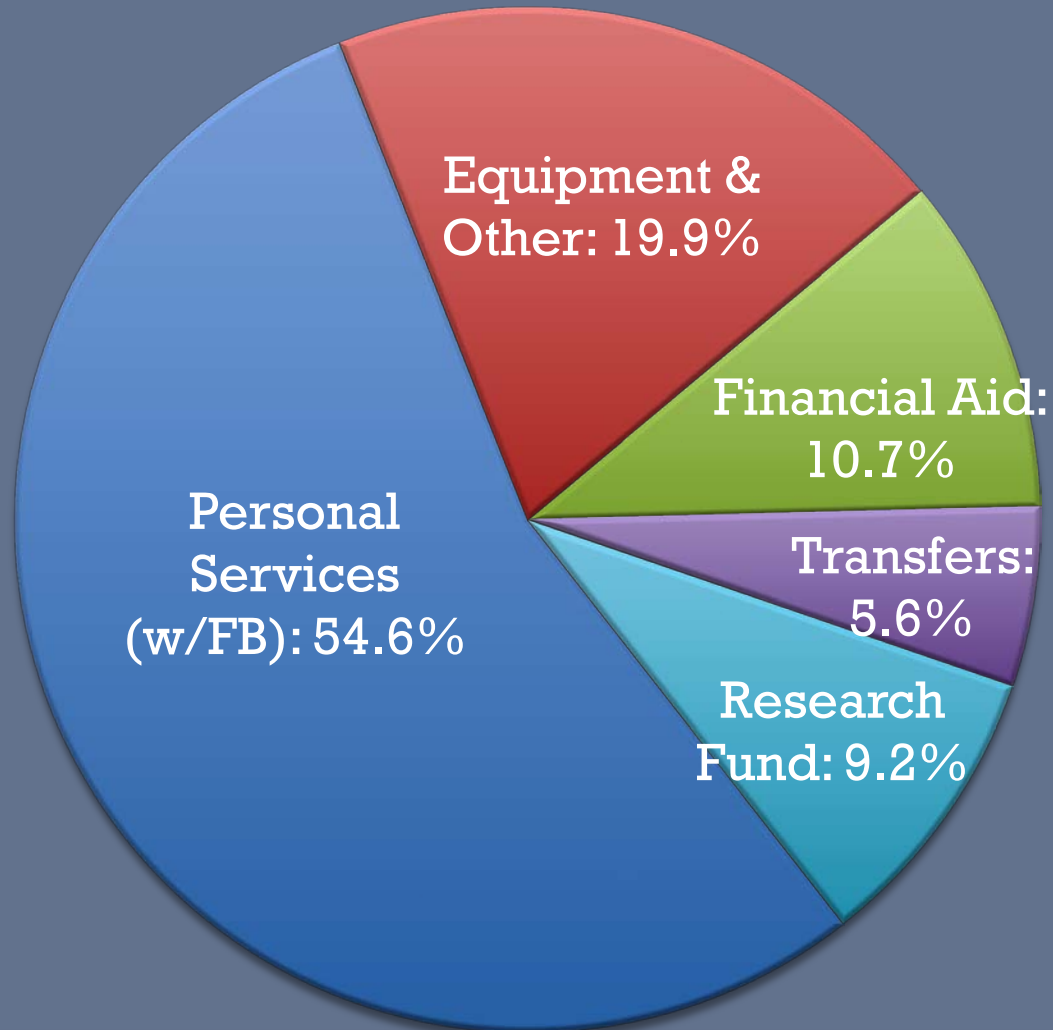
■ State Support
 ■ Tuition & Fees
 ■ All Other Revenues



FY11 Education & General Expenditure Budget by Program



FY11 Budget: Expenditures by Function-\$1,032.5M

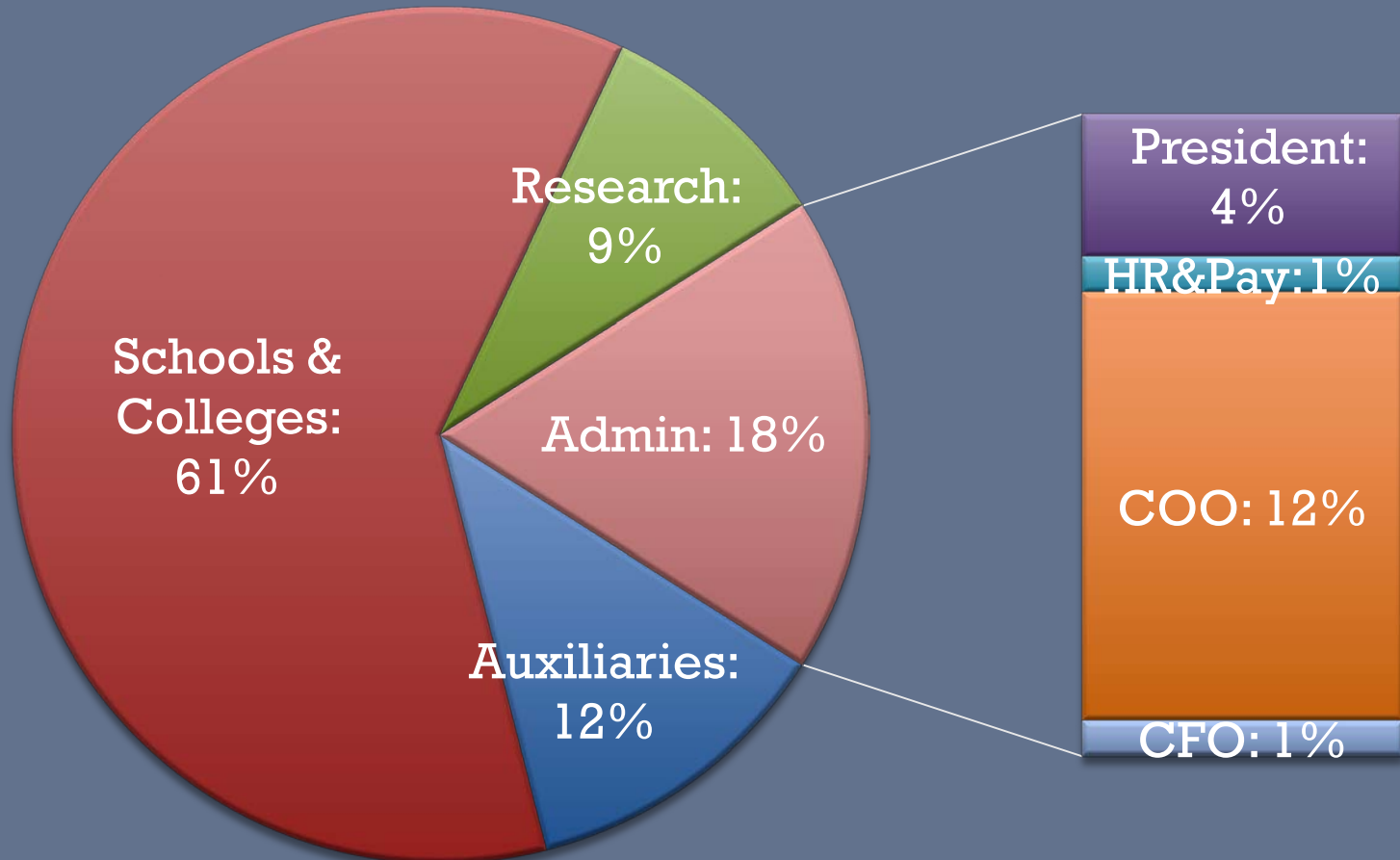


FY11 Personal Services & Fringe Benefits



- 89% of expenditures are for unionized workforce
- Staff & Faculty concessions
 - Wage freeze in FY10
 - Additional non-union only wage freeze in FY12 = 0.9% average increase from FY10-FY12
 - Furlough days in FY09-FY11
 - Benefits-3% contribution starting 7/1/10

FY11 Personal Services & Fringes Budget by Major Unit



Financial Variables (\$M)

Revenues	1% Equals
State Support	\$3.3
Tuition (net of aid)	\$1.8
Room	\$0.8
Board	\$0.5
Fees	\$0.9

Financial Variables (\$M)

Expenditures	1% Equals
Other Expense Reduction	\$0.9
CBI (Non-Union Wage Reduction)	\$0.3
CBI (Union Wage Reduction)	\$4.3
In-State/Out-of-State Mix	\$0.4
Reduction Need Based Aid	\$2.4

Next Steps

- Analysis of budget options
- FY12 proposals
- Future Town Meetings



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Discussion - Questions